LOAN AND TRUST REVIEW AND OUTLOOK

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WESTERN LEGISLATORS ARE WELL DISPOSED BUT SEEK TO MEET VIEWS OF VOTERS

Interests of Mortgage Companies Are Now Receiving More Consideration

JOHN APPLETON'S OPINION

Secretary of Dominion Mortgage and Investments Association Studies Western Legislation While on Tour of the Prairie Provinces and B.C.

ACTS providing for Government farm loans, seed grain liens and various other legislative measures which have been put on the statute books of Western provinces in recent years, have from time to time given rise to fears that this tendency to undermine the position of the mortgage companies might be carried to dangerous extremes. The views on the attitude of the Western legislatures towards financial institutions, of John Appleton, secretary of the Dominion Mortgage and Investments Association, who has just returned from attending the annual meetings of the provincial mortgage organizations will, therefore, be of interest to readers of THE FINANCIAL POST—mortgage, trust and insurance officials and investors alike.

"I really think that the attitude of the legislatures is well disposed but in effect it bends to influences that control most votes," said Mr. Appleton to THE FINANCIAL POST. "That was instanced by the attitude of the women's organizations in Alberta. You will recall that a bill was introduced which amended the "Dower Act" passed in 1918 and made it impossible for unmarried men and widowers to get loans. The old act made it quite clear that if a man claiming to be unmarried obtained a loan and it turned out that he had a wife living either in Canada or abroad, and the wife claimed dower, the mortgage became null and void. A company which loaned money to unmarried men under such circumstances would be faithless to the widows' money which they handled—the companies act merely in a fiduciary capacity. They are responsible for the care of the money and would not lend it and could not be expected to unless the covenant of the borrower and the security he had to offer were satisfactory. Under the "Dower Act" neither the covenant nor the security of a single man in Alberta was reliable and for that reason a number of the bigger lending institutions ceased their operations in that province. It was sought in the bill presented at the session in 1919 to remedy this state of affairs. It was never the intention of the financial institutions to prejudice in any way the right of a wife to dower. The dower has been recognized for ages and with it financial institutions generally have sympathy. What the amending act sought was that anyone lending money on a homestead should take ample precaution to find out whether the borrower was married. He was required for instance, to take an affidavit to the effect that he had no wife before a loan would be made.

Ladies Recorded Objections

"To these changes the ladies took very strong objection and appeared in great force at the doors of the Alberta Legislature. Some of them erroneously claimed that the financial institutions were endeavoring to deprive destitute widows and children of their homesteads by the process of foreclosure. Some of the legislature echoed a similar view. No such intention was ever cherished by the lending organizations. The result was that the legislature was effectually stampeded by the ladies and the original changes suggested were withdrawn although some of the members of the House seized the opportunity to take a fling at the lending institutions, which gratified the leaders of the women's organizations. They, however, did not realize that something had to be done to make the province's credit good and to open again the field for investment of capital. While they allowed the clause in the old "Dower Act" which makes a mortgage null and void in the case of a dower claim, the Government provided to amply protect the mortgagee from what is known as "The Assurance Fund" which is accumulated for the protection of titles. You will observe that in this case the Legislature had regard for the protection of the money invested in Alberta. That money is secured, as you are aware, from hundreds and thousands of small investors who can no more afford to lose it than the widow can afford to lose her dower."

The Covenant in Alberta

When asked about the covenant in Alberta, Mr. Appleton said: "In so far as mortgage security is concerned, I am afraid that there is little of the covenant left. Mr. Creighton, president of the Mortgage Loans Association of that province says that it is practically impossible to recover anything as the legislation stands at present, but I do not think the rank and file of the legislature of the Province of Alberta really understand the significance of the changes which were made. I think they do not realize that the legislation as passed will affect the members of the Legislature as well as the others in Alberta by not being able to obtain credit on their personal covenants. I have reference more particularly to farm mortgages in which the security taken in addition to that of the covenant is upon farm land. If a respectable farmer needs money for a period longer than banks can let him have it, he will go to a loan company and apply for a loan—say up to 50 per cent. of the value of the lands. He may regard his covenant as being held in respect by the lending organizations to which he applied. That respect, however, has been practically eliminated by the character of the changes made in the "Land Titles Act." The result is that if he wanted a loan of $2500, he would probably be offered one of $1500. The reason for

Continued on page 32.

Protection of Investors' Interests Necessary to Insure Continuance of Country's Development

By E. M. SAUNDERS, President Dominion Mortgage and Investments Association.

THERE were many predictions previous to the signing of the armistice, as to what effect the termination of hostilities would have on general business conditions and development. Many of these predictions were wide of the mark and others again were fairly correct. It was the opinion of many that following the cessation of hostilities there would be a period of adjustment, and that is the period we are going through now. How long this will last depends entirely on ourselves as to how long we will make it last. At the present time we are facing such problems as the adjustment of differences between employers and employees, or as some prefer to call it, capital and labor—and we also have an important work to do in assisting our soldiers in finding themselves and getting back into civil life.

The settlement of the differences between employers and employees is aggravated by the high cost of living, for which the war has been the main contributory cause. It is generally recognized that the war was used by many producers and controllers of the necessities of life, as an excuse for securing large profits on their products. This excuse, unreasonable as it was in some cases has disappeared, but some of our producers and controllers continue to demand larger profits than conditions warrant, with the result that the cost of living still remains abnormally high. It would seem that the organizations connected with capital and labor would be well advised to devote their attention to bringing about an elimination of these excessive prices, and having got rid of them they would probably have a better chance of settling their differences, which hinge principally on the length of working hours and inadequate wages to meet the abnormal prices of the necessities of life.

Prosperous Period Ahead

There has been a great deal of talk about the trouble that we will have in getting our soldiers settled. Let the employers get their differences with their employees settled and it will help very materially in more quickly finding work for our soldiers. When conditions once more become normal there will be plenty of work for everyone. The general public are unnecessarily alarmed about getting the soldier back to work. Give him time and he will naturally, and of his own volition, adjust himself to his surroundings.

The question might be asked what has all this to do with the development of the country. It has everything to do with it, for as soon as these matters are settled there will be a quick return to normal conditions, and there will follow for Canada a period of prosperity that has not yet been experienced by this country.

The banks and loaning companies are waiting and ready for this change in conditions, and the best evidence of this is the accumulation of deposits in our financial institutions. A sign of the times also is an increased demand for mortgage funds in Western Canada, and while a large portion of these funds is being used to carry some farmers over who did not have good crops last year, there is also a goodly portion of these funds being used for building purposes, investments in livestock, and the bringing of more land under cultivation. The larger portion of the funds of our banks are used principally for the general development of the country and take the form of advances on municipal debentures and mortgages. These companies had at the end of 1915 approximately one billion dollars invested in Canadian securities, and during the war period their subscriptions to the war loans exceeded $148,000,000.

Legislative Encouragement

Having regard to this large amount of capital invested in Canada it behooves our Federal and Provincial Governments to regulate their legislation so that there will not be any unnecessary burdens placed upon these corporations through undue taxation, and regard should also be had to the fact that the debenture-holders, stock-brokers and policy-holders of these companies must be protected by the avoidance of the passing of legislation which has not proper consideration for the investors' interests. A large portion of the funds of loan and trust companies are represented by capital outside of Canada, and if these foreign investors find that their interests are not being protected the ultimate result will be the withdrawal of their funds from Canada and discontinuance of further supplies of capital.

The time is not far distant when the development of this country will be such that we will again have to look to outside capital to assist us in developing our wonderful resources, and for that reason it behooves our Government to give consideration to the interests of those companies which have done so much pioneer work in the past in bringing about and helping to maintain such good credit financially for this country.

LOAN COMPANIES HAVE WEATHERED WAR CONDITIONS WITH CREDIT AND ARE WELL PREPARED FOR CANADA'S NEW DEVELOPMENT

Profits and Loans Continued on Contracted Basis During 1918, But Reserve Positions Were Strengthened—Already Indications of Renewal of Demands for Funds

THE war was responsible for bringing broad and sweeping changes in the conditions under which mortgages operated in Canada, particularly in the Western provinces, where the general slowing down after the period of rapid growth of the boom days was already being felt. During the year which is now under review in this number of the FINANCIAL POST, the war was brought virtually to a close. It might then be expected that the loaning companies are now entered upon a new era. Perhaps, but thus far it could be no more fittingly described than as an era of uncertainty. The signing of the armistice itself means nothing in the situation unless followed by the removal of those influences which accompanied the war and which bore directly upon loaning companies.

However, the ending of the war gives an opportunity to review a very trying period and to analyze the effects which it has had upon the affairs of the loan companies. In this connection 1918 may be regarded as a repetition of those other war years. On the one hand prosperity for those on the land and the fact that there was no immigration curtailed requirements for mortgage funds and rates declined, while on the other hand the continued demand for national funds by the nations engaged in the war had the effect of further advancing interest rates.

Under these conditions during 1919, as for several years, the fact that the mortgage companies were able to hold their position as solidly as they have done is very highly in their favor. That there has been some contraction in profits is not surprising when the higher scale of operating expenses is taken into consideration in addition to the doubly adverse interest rates and curtailed requirements for funds; that this contraction has not been greater is a matter upon which the administrative organizations of the various companies may well be complimented.

The statements of the various companies indicate no beneficial influence in volume of business as the result of general war-time inflation, which is so evident with many financial and industrial institutions. Rather there was a tightening of assets to meet the conditions described and the general tendency was to strengthen the reserve position at the expense of profits by investments in Government bonds and other high class securities.

Face Future With Confidence

Thus we find the Canadian mortgage companies facing the future with a confidence born of the experience of the past four years and the knowledge that although there is much uncertainty it cannot be long until there is a change—and that that change will be for the better.

As regards foreign capital, everything is indefinite. There is a considerable difference of opinion as to what may be the possibilities with regard to British and European funds. On the one hand there is the argument that such funds will be required at home for purposes of reconstruction and if there are no restrictions upon export the law of supply and demand will keep interest rates on a high level. On the other hand, there are certain evidences that capital, like water, is to find its level and that Old Country investors are looking to the New World with the idea that capital will be safer over here, and that tax burdens will not be so heavy.

There is no lack of confidence in Canada's future. It is pointed out that the world is short of foodstuffs, and will be short for a considerable time, and that our agricultural products will continue to command high figures. Further, as a young nation, we are rich in natural resources, which should have a high marketable value. These conditions will not be long in having a noticeable effect upon immigration and upon the demand for mortgage funds. Already the movement from the United States has commenced and already too there is an improvement noted for mortgage funds in Western Canada Likewise the shortage of houses is bound to shortly start construction activities and property values have already shown marked improvement.

In the future, then, as in the past, the mortgage companies promise to play an important part in Canadian development, and at this time it is important that those who have the framing of provincial legislation in their hands should carefully consider their responsibilities and guard against putting acts on the statutes which may have the effect of undermining the confidence of investors. The mortgage companies have played an important part in Canada's development in the past. They will continue to do so in the future. Canada cannot afford to close any channel of capital supply, and particularly is fair treatment owing to these tried and proved institutions which are quite willing to meet the competition of Government or any other loaning organization, provided conditions are made fair and equal. In this connection the views of John Appleton, as expressed to the FINANCIAL POST, after his recent trip across Western Canada, are particularly interesting and convey considerable reassurance.

KEEP THIS SECTION FOR REFERENCE

MANY OPINIONS ARE HELD REGARDING THE OUTLOOK FOR BRITISH CAPITAL

Ideas Differ Greatly as to When Restrictions Are Likely to be Raised

THE RENEWAL OF DEBENTURES

A Large Amount of Funds Have Been Re-Invested in This Class of Security—Some Indications of the Trend of Investments in Recent Years

By H. H. BLACK.

IN times past, while financial men have not agreed as to details in regard to the values they have placed on securities, generally there has been a semblance of accord in respect to questions of a more or less general character. But the war, as it has shattered precedents financial as well as military, has left the expert financiers more or less at sea in attempting any prognostications as to the conditions of the future, and opinions are almost as widely diversified as the individuals who express them. All of which means that an effort to secure expressions on the subject of the future course of British capital in relation to investment in Canada, met with ideas that varied from a view that there would be nothing coming over for a generation, to another from a bond man that the middle of the summer would see the restrictions in England against sending out capital entirely removed, and a brisk market for Canadian securities on the London exchange, and money coming over in large sums for investment in this country, as was the case before the war. He went so far as to rejoice in the probability of England and the United States becoming, very shortly, spirited competitors for Canada's securities.

At the present time, of course, the War Measures Act prevents any purchase of Canadian or other outside securities by an English investor. Practically the only money that can go out of that country is to cover commercial purchases, not for investment purposes. This has been the case since the beginning of the year 1916, for the only Canadian security sold in that year was one of $4,866,666. The next year was almost a blank one for investment in this country, and last year and this year to date, were in the same position.

Some Liquidation of Canadian Securities

During this period there has been more or less of liquidation of Canadian securities by English holders, and Canadians have succeeded them as the owners, but on the whole there has been no general movement to liquidate Canadian holdings, and those companies who are dependent on the sale of debentures in Great Britain for capital for Canada have found little pressure exerted on them in the case of mortgages, for example, to refuse a renewal; while in cases where the mortgage has been retired the most of the money has been available for loaning on their securities here. Bond dealers report some movement to dispose of Canadian securities on the part of clients of their English representatives, but not to a very noticeable extent, and this liquidation has never had an embarrassing effect in this country, because there has been a Canadian buyer to replace the one overseas. And where Canada did not furnish one, the United States did, for a strong demand has arisen from across the border for Canadian securities, and one Canadian branch of a New York house has a blanket order that runs up into many tens of millions, and is practically unlimited.

Banker Says "Not For Generation"

A prominent Canadian banker discussing the position with THE FINANCIAL POST, gave it as his opinion that it would be "years and years, and possibly a generation, before we could expect British capital to flow towards Canada. At present, of course, no flotations can be made in England, and no capital can be sent out to purchase outside securities. At the time of the American war," he went on, "the United States had to sell its securities in England and in France, and during this last war these two countries had to sell back these securities to the United States, and local ones as well, so that the United States is now a large holder of European securities. With the money required as it is in England I do not see how the Government is likely to lift the restrictions for a long time to come, and the probability is that the United States, and Canada, to some extent, will become large purchasers of English securities. On the other hand, I have seen no evidence that there is any pressure being exerted by England for a liquidation of securities held in Canada, and Exchange is against the purchase of English securities by Canadians, because at the present rates we could not afford to bring the money back to Canada."

The general manager of an institution that has depended for the most part on British capital, stated that he had found a certain elasticity in the interpretation by the British Treasury. When mortgages, for instance, matured in Canada, and the proceeds were sent over to the British investor, new debentures could be sold to the amount of the money returned, even if the investor was a new client of the company; that is, a sort of transfer was possible, provided the total capital that went out of the country did not exceed the amount that was returned.

Not as Much Needed Here

However, in this case, as in many others of a similar nature, it was found that there was not as much money required, especially in Western Canada the last couple of years, and thus the tendency has been to lessen the amount of British money that was invested here. Much

Continued on page 20.

USUALLY A MATTER OF GOOD BUSINESS FOR THE FARMER TO MORTGAGE HIS PROPERTY

Loan Companies Have Been An Important Factor in Agricultural Development

GOV'T COMPETITION IN WEST

A Serious Danger Lies in Undermining the Position of the Established Institutions by Legislation of Unsound Character

By J. M. PURCELL,
Of the Guelph and Ontario Investment and Savings Society, Guelph.

ABOUT a month ago an editorial in a Toronto daily paper quoted a branch bank manager in Western Ontario as reporting to his head office that after an extended observation and survey of his district he believed that the word "Mortgage" ought to banished from the vocabulary of farm loans, his idea being that "the word has such evil omen that it prevents a farmer securing a loan for the prosecution of necessary extensions of operations and therefore in the end retards development." The editor seemed to sympathize with the bank manager's views and drew a rather gloomy picture, which was intensified by references to the two memorable paintings by Mr. G. A. Reid, R. C. A., "Mortgaging the Homestead" and "The Foreclosure of the Mortgage." The word "Mortgage" was said to carry for the average farmer as much a hint of disaster as was pictured in the word of Poe's-raven, "Nevermore."

Not to do the newspaper an injustice it must be said that special reference was made in the editorial to the "early nineties," when low prices for farm produce prevailed and farming was not a paying industry. And further, when the other side—the brighter side—of the picture was brought to the editor's attention he presented it to the public editorially in a later issue.

An Aid to Agriculture

The idea that mortgages retard development and spell disaster is easily shown to be fallacious. To thinking people it is not necessary to make any effort to prove this, but to those who do not take the trouble to look below the surface of things it may be pointed out that the Canadian loan companies, whose chief loaning is on mortgage security, have done more than any other single force to develop Canada's principal industry—agriculture.

It is no exaggeration to say that the loan companies have enabled the farmers of Canada to become land owners instead of merely tenant farmers, and that Canada to-day is a land of prosperous freeholders who till their own soil instead of a country of landlords and tenants, is chiefly due to the enterprise of these institutions. The average Ontario farmer during the past fifty years had but very small capital to start with—not enough to enable him to buy his farm and stock it—and had it not been for the assistance given him by the loan companies he would have had to remain a tenant instead of being able to own his farm. The loan companies lent him money to help buy his farm and improve it, and by degrees he was enabled to erect new buildings and make other improvements; the primitive log buildings gave way in time to the modern brick or stone dwelling and the spacious bank barn, and one who to-day travels through the fine farming districts of Ontario and admires the well-cultivated fields, the comfortable farm houses and splendid barns, and notes the general air of prosperity of our farming community, cannot fail to realize that mortgages instead of being a drawback to the farmers of Ontario helped to lay the foundation for their success. At the present day the Ontario farmers are not only largely free from debt but in many cases are lenders instead of borrowers.

Western Development

In the Western provinces, Manitoba, Saskatchewan and Alberta, where the process of development is in a less advanced stage than in Ontario, the farmers are, with the aid of the loan companies, improving their properties, buying more land and the necessary machinery to work it, and putting up better buildings, and the great grain crops of our Western provinces bear testimony to their industry. The Western field is one that will require a large amount of capital for years to come, as there is still plenty of uncultivated land to be taken up and made productive. With settled conditions after the signing of Peace, immigration to the Western provinces will greatly increase—in fact a considerable influx from across the border has already begun—and the corresponding increased demand for farm loans will be met largely by the loan companies. While the Provincial Governments have taken upon themselves to do a considerable amount of loaning in these provinces at lower rates than have been current in the past, it is clearly shown that these Governments are doing business at a loss, in other words they are lending money at a lower rate than it is actually costing them. How long this method of financing will continue it is difficult to prophesy, but there is no reason to doubt that the services of the loan companies will be required for a long time yet in the development of the West. It is to be hoped that the several Governments concerned will see to it that the laws relating to mortgages are so framed as to make it possible for the companies to continue to do business on a safe and satisfactory basis. It would be a grievous handicap to the people of their own provinces were these Governments to do anything which would tend to discourage the investment of capital in their leading industry.

British Funds Secured

In the prosecution of these developments the loan companies have been instrumental in bringing into Canada a vast amount of British money, while their savings and currency debenture departments offer to the Canadian public an incentive to save money and a means to invest it safely at good interest rates. The British investor is noted for his care in selecting investments. He prefers to put his money into something that he is sure of, at a moderate interest return, rather than take chances in anything of a speculative character. Hence his preference for the debentures of a well-conducted loan company, which he knows are secured by assets consisting chiefly of first mortgages on productive real estate and Government and municipal bonds. The security offered by the loan companies is of the highest class obtainable as the companies do not lend on notes or other personal security. The Canadian depositor and debenture holder has exactly the same kind of security for his money as the British investor, and the large amount of funds placed with the loan companies in this way is ample evidence that the investing public appreciate the value of such high-class security.

Another false impression concerning mortgages is that antagonism exists as a matter of course between the borrower and the mortgagee. This is quite a mistaken idea and belongs to the category of fables and legends. As a matter of fact the process of borrowing and lending is as much a plain matter of business as buying and selling, and speaking generally the relations between the borrower and the lender are as pleasant and satisfactory as in any other business transaction. The mortgagee is not trying to get hold of the mortgagor's property—all he wants is to have the payments on his mortgage kept up. In fact the last thing that a loan company desires is to have mortgaged property come on its hands. A company will do anything reasonable to help the borrower along, rather than have to take over his property, because the experience of the companies is that the owner can always sell his property to better advantage than the company could if it had to be brought to a forced sale, and besides there is a lot of trouble and expense in handling such properties. The loan companies have saved many borrowers from losing their properties by giving them the benefit of their advice and guidance when they found themselves in difficulties.

INTERNATIONAL RELATIONS OF LOANING ORGANIZATIONS

An American View of Canadian Conditions and Mutual Objects of Mortgage Companies

By KINGMAN NOTT ROBINS*
Treasurer, Associated Mortgage Investors, Inc., Rochester, N.Y.

THE loan companies of the United States and Canada have performed a vast service, which is too little understood and appreciated. If their work is to be perpetuated and extended to keep pace with the development of the country and the needs of the people, the loan companies must be given every encouragement and assistance by the public to build securely and on lines of ever broadening and more effective service to the community as a whole.

We have learned much in recent years of the banker's function, which is so much bigger, above and beyond the mere process of lending on security—the simple machinery of money-lending. We realize more keenly than ever before that the true banker, whether a mortgage banker or some other kind of a banker, is, perhaps, the most important factor in production, if he so directs the use of the capital of the people that it will produce the most. To perform that essential service, he must constantly strive to make every dollar count for the most; and in a material way what service in the community can be more important and helpful than this? It means that every loan is at least ideally a good bargain for both parties—a safe investment for the investor—a big help to the borrower. To be successful in this function, the banker must have the sympathy and co-operation of the entire people, and must meet them with a broad sympathy, a thorough knowledge of business problems, and a constant effort to educate people to make the wisest and best use of their abilities in conjunction with the financial facilities available.

Since the banker's function and the banker's problem are common to both countries, I feel that the Farm Mortgage Bankers' Association of America and the Canadian Mortgage and Investments Association have, in large measure, a common function with a common problem. Our effort as bankers to educate the public and the political representatives of the public regarding our functions and needs requires our concerted attention and collective wisdom and influence to make it effective. By comparing our experiences and ideas at our association meetings, we can greatly aid the development of our capacities. By such standardization of business practice and legal safeguards as may be found desirable, we can, to a great extent, stabilize the business and keep it free from injury by the unworthy and the inexperienced. Such a business as ours, in short, requires association as a means of self-expression in our contact with the general public, and as a means of self-development and self-protection among ourselves.

The Canadian Mortgage and Investments Association, are doing so many things better than we are that there is a good deal of selfish interest in my plea for co-operation between us, but I know that I speak for every member of our association when I say that we shall be most happy to give you anything of help we can.

Faith in Canada's Future

You must know that we in the United States share your faith in the future of Canada. One of the leading business men of Rochester recently remarked: "I have great faith in Canada. They are doing a lot of things over there better than we are doing them, especially in active, practical reconstruction programs. I believe their best business brains have more influence on the course of things there than here, and that will be a great help in the days ahead. If they can only let our I. W. W. and our North Dakotas do the experimenting, and go slow in radical legislation until its results are proved over here, nothing can stop Canada."

Those are also my sentiments. You have tremendous advantages and opportunities, and no one can deny you their fruits except the unwise and unjust among yourselves. Following the period of world upheaval and change through which we have just passed, is there not great wisdom in the Scriptural advice: "Prove all things; hold fast to that which is good." Let the other fellow do the experimenting, while you do the things that experience has shown to be wise, constructive, and for the good of all.

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*Mr. Robins has written this article for THE FINANCIAL POST as summarizing his views expressed at the annual meeting of the Canadian Mortgage and Investment Association.

"MORTGAGE" AN UNPOPULAR TERM

A Stigma Attaches to the Word Which Loan Companies Would Remove.

From "The Home Bank Monthly."

Wanted: a revised and more pleasant-sounding term than "mortgage" to designate that useful instrument of finance. Etymologically the word signifies that the property mortgaged is lost, or "dead," as far as the original owner is concerned, if the "gage," or pledge is not redeemed. The subject has been under discussion in the editorial and correspondence columns of the Toronto *Globe*, pointing to the conclusion that there is a popular mistrust of the process of mortgaging as is evidenced in the function of "burning the mortgage" when a congregation frees their church from debt.

The loan companies have removed much of the stigma that used to rest upon the word "mortgage" by transacting business on a basis of co-operation and sympathy for the borrower. Their object being to lend money at an equable rate of interest, and not to acquire real estate by foreclosure, the loan companies find it to their best advantage to advance loans of an amount that may be conveniently carried by the borrower, who will further be extended every reasonable latitude in case of a pinch. The saying that "a corporation has no conscience" does not apply to a mortgage corporation as against the individual mortgagee. The plots of the popular melodramas of twenty years ago revolved around the mortgage on the homestead. John L. Sullivan, we recall, appeared on the stage in the character of a dutiful son who opportunely returned to the home of his youth in the nick of time to "lift the mortgage" on the parental roof by knocking out the local champion in a pugilistic bout, thereby winning a sufficient purse of money. In other dramas the mortgage was raised through the winning of a horse race, and where these stirring scenes were not introduced the brutal mortgagee was ever on the scene, forcing his attentions upon the distressed heroine until the last act, when her true lover arrived with a bag of gold to pay off the mortgage and dismiss the villain in the disdain of affluence. It was these representations, rather than an appreciation for the etymology of the word, that has cultivated a popular distaste for the term.

Property owners in Toronto have generally considered it good domestic economy to carry a mortgage on their private dwellings. Comparatively few homes are unencumbered, even where the owner is in a financial position to own his property clear and outright. A "good mortgage" is rightly held to be an asset to the property, since few real estate transfers are made on a cash basis in the ordinary course of business. A Torontonian owning a house worth around six thousand dollars would ordinarily carry a mortgage for half the sale value of his property, probably having the amount that would discharge the mortgage invested in securities bringing in a revenue yield of one or two per cent. better than the interest rate he had to pay upon the mortgage money; an additional advantage of the arrangement being the convenience of having a reduced and readily saleable equity in the property.

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"These are but a few of countless proofs of misdirection which result from the appointment of individuals."—*Trust Companies, March,* 1919.

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ONTARIO LEGISLATURE FAILS TO ASSUME RESPONSIBILITY TO THE INVESTING PUBLIC

Has Only Sought to Appease Popular Demand Following Dominion Permanent Affair

FOR PRACTICAL ADMINISTRATION

Established and Responsible Loaning Corporations Desirous of Government Control Which Will be Effective and Not Merely Provide Legal and Technical Regulations

By GEORGE H. SMITH.

ALTHOUGH the Dominion Permanent was one of the smaller loan companies, and had never ranked high among this class of institutions, its failure in the early part of 1918 inflicted losses upon a considerable number of small depositors and investors, many of whom were not in a position to sustain a reduction of capital. The fact that it had been many years since an Ontario Loan Company had been in difficulties, combined with the knowledge that in the long history of those companies, dating back many years prior to Confederation, the number of failures had been so few as to be almost negligible, had endowed this class of financial institution with such an enviable reputation as to lull the undiscriminating public, especially that portion of it which is attracted by the promise of higher rates of interest, into an unsuspecting acceptance of any claims made on behalf of an institution calling itself a loan company. When, "after a tortuous career," the fact that the Dominion Permanent had departed from recognized principles of loan company investment could no longer be concealed, and its unsound condition, which had long been evident to those who intelligently studied its statements, rendered its continuance impossible, there was a perfectly natural demand that a recurrence of such deplorable mismanagement must be made impossible.

By many the Government was assailed for neglect of proper supervision, but the general outcry was for legislation, the modern panacea for all ills, in which the masses place such a childlike confidence. Obviously, if the people believed the existing legislation to be defective it relieved the Government from responsibility for any weakness in its methods of supervision; so, of course, the public got what it asked for. It is the purpose of this article to indicate the nature of the amending legislation affecting loan and trust corporations which was enacted at the recent session of the Ontario Legislature.

The Existing Legislation

Some consideration, however, may first be given to the question of its necessity. The Loan Corporations' Act has been on the statutes of Ontario since 1897. It underwent most careful revision extending over a period of more than a year and was re-enacted in 1912. Under this act all these corporations are required to make annual returns to the Government. These returns must be in a form prescribed from time to time by the registrar, by whom the form has frequently been modified and enlarged. In addition, under the act the registrar has power to make any enquiries and to call for any additional information concerning the affairs of any corporation which he may consider necessary. Any corporation which fails to "make prompt and explicit answer to any enquiries then or at any time put by the registrar. . . . shall be liable to suspension, cancellation or non-renewal of registry." The registrar is further empowered "to take and receive affidavits or depositions and to examine witnesses upon oath" and is given right of access to the books, securities, etc., of any corporation.

The company whose failure has resulted in amending legislation being called for and enacted, regularly evaded replies to some of the questions asked in the prescribed form of return. For instance, it began in 1902 to give the annual receipts for interest and in repayment of principal of its mortgage investments in one sum, instead of separately as the form required. The amount of these receipts steadily declined, though the reputed amount of mortgages were shown as increasing. As long ago as 1909 the total receipts both for interest and principal were shown to have been only $118,711 or 3.86 per cent. of the mortgages, while the average rate of interest borne by the mortgages was reported as 7½ per cent. In that year, the expenses of management, interest on deposits and interest on debentures aggregated $122,784. In addition, dividends amounting to $70,014 were paid shareholders. While the receipts, including principal repayments, became less each year, these dividend payments continued till the end of 1916. In the year 1916, the last for which returns were made, the total receipts on account of mortgages (interest and principal combined as usual) amounted to only $55,959, less than 1.35 per cent. of the amount shown as mortgage investments, while expenses of management alone were $57,064, and the interest on deposits and debentures required a further $124,608. Surely, storm signals could not have been hoisted more prominently. If the authority given the registrar was intended to be acted upon these returns, which from year to year clearly indicated a more and more unsatisfactory financial condition, certainly justified its exercise. It cannot be claimed that these powers should not be used, as no suggestion has been made that they be rescinded and they remain in the act as now amended.

Solid Companies Concerned

At the session of 1918, shortly after the Dominion Permanent closed its doors, a special committee of the Legislature was appointed to consider and recommend amendments to the act. No section of the community can be more deeply interested in the maintenance of sound and healthy conditions among the companies than the old and long established loan corporations. The failure of one company reflects upon the almost stainless reputation of these institutions. Their experienced officials would have gladly assisted the Government in framing its measures. The Government, however, called into consultation an eminent firm of chartered accountants, by whom they appear to have been chiefly guided. Their principal recommendation was a much enlarged and highly complicated annual return. After this had been prepared and the amending bill drafted, they were submitted to representatives of the companies. It was, however, made clear that the bill and the proposed return represented the policy of the Government and its advisers. The companies, therefore, could only offer such suggestions as would assist in making what was contemplated as effective as possible, while seeking to avoid requirements which would render the transaction of business impractical or unnecessarily difficult. The committee of the Legislature was then called together, everyone interested was invited to its meeting, and the representatives of the companies were heard. Some of their suggestions were accepted and the result is the act of which the following are the main provisions.

The duties of the auditors of a corporation are amplified and more clearly defined. The form of their report to the shareholders is prescribed, and they are required to make an affidavit in a prescribed form verifying the annual statement to the Government. There is also a clause intended to ensure the appointment of competent and trustworthy men as auditors.

A copy of the annual statement is to be sent to the shareholders at least two weeks before the date of the annual meeting and is to be in a form prescribed by the registrar. This statement is also to be sent to every debenture holder resident in Canada, and to every depositor whose deposit shall exceed $100 within thirty days after the annual meeting has been held.

After the close of this year no corporation is permitted to invest more than fifteen per cent. of its own paid-in capital stock and reserve funds in any one security, or to make any investment the effect of which will be that such corporation shall hold more than fifteen per cent. of the stock and debentures of any one incorporated company. Investments in stocks or debentures of companies which have not paid dividends of at least six per cent. per annum for the previous three years are also prohibited. The intention of these provisions is to prevent a large portion of a corporation's assets being locked up in an unprofitable venture, such as the railway in British Columbia which caused the downfall of the Dominion Permanent. Whether they will be effective remains to be seen, for that company is said to have covered its improper investment with a number of mortgages on unsaleable lands representing the amount.

Trust and Loan Relations

The Government yielded to the request of representatives of the companies by providing that these limitations of their investing powers shall not apply to the paid-up capital stock of a trust company when the investment is authorized by the Lieutenant-Governor-in-Council upon the recommendation of the registrar. This is a very proper recognition of the affiliations which have existed for many years with the consent of the Government between a number of closely related loan and trust companies.

The proportion of a corporation's paid-up capital and reserve funds which may be invested in its office premises is also restricted to fifteen per cent., with power to the Lieutenant-Government-in-Council, where a corporation already has a larger proportion so invested or has already acquired land for the purpose of making additions or improvements to present office buildings, to approve of this proportion being increased to not exceeding twenty-five per cent.

Authority is given for investment in securities of or guaranteed by the United Kingdom of Great Britain and Ireland, of the Dominion of Canada or any of its provinces and of any other Government the interest on whose se-

Continued on page 22.

A SAFE AND SANE PLAN FOR PLACING CITY LOANS

Monthly Payments on a Basis to Cover Interest and Something on Principal Prove Successful

By T. D. MACDONALD
General Manager, British Columbia Permanent Loan Company.

IN the operations of loaning companies generally there has been a preference shown for farm properties. This has evidently been due to the fact that farms, being more generally productive, are regarded as less speculative, and therefore better security. While there are points in favor of this argument which may be at once conceded, I feel certain that the antipathy, or rather disfavor with which city residential property is looked upon as a medium for the investment of funds on mortgage results largely from lack of knowledge and a satisfactory loaning plan rather than from any disability which the security itself offers.

In twenty years' experience I have generally found that loans properly placed on city homes of medium quality have been handled without any difficulty. This was particularly the case up to the time of the outbreak of the war. Special legislation in the shape of war moratoria has, however, prevented the proper exercises of mortgage functions, but, even during such periods, a policy of "live and let live" will be found to minimize the prevailing difficulties.

A Safe and Sane Plan

To repeat, I believe that the matter of success in this particular mortgage field depends upon following a safe and sane plan. Such a plan may be outlined, the following being in my opinion eminently fair to both lender and borrower. It calls for a monthly repayment at the rate of $1.25 to $1.50 per $100. This sum is applied first to meet interest accrued to the date of such payment, and the balance on principal.

The payments are not blended, nor is the repayment based on any amortization plan, the borrower being privileged to make any payment in excess of the minimum amount required, up to $100 per month, and interest reduction takes place with every $100 repaid. He also has the further privilege of retiring his loan at any time on sixty days' notice.

It is often charged that monthly loans are usury in disguise, and unfortunately, too often such is the case, but such reproach need not have foundation under the scheme referred to. Not only is the monthly repayment divided, but the mortgagor may also be supplied with a small pass book in which the payments can be similarly divided. He is, therefore, able to see at all times just what has been repaid on account of the principal of the loan, and takes, usually, as much interest and pride in examining his pass book as the average man does with a savings bank account.

A Distinct Advantage

There is a distinct advantage in this system over the straight loan plan, for this reason: Very few of us are constitutionally methodical, and by far the majority of people are used to a weekly, fortnightly or monthly wage, which has to be apportioned in a certain manner—often by compulsion. The tendency is not toward providing for a payment to be met, say, six months hence, and usually results in somewhat of a scramble, and too often inability to meet the obligation in full. No such disability exists where the payment of the mortgage is akin to the payment of rent.

In order to make a success of this method of loans, an additional ½ per cent. on the interest rate is in my experience necessary, but the cost to the borrower over a ten-year period is considerably less; the higher rate is justified, too, by the increased operating cost.

Under such a plan I am convinced that a loan on carefully selected residential property is splendid security, as the method of repayment provides against depreciation.

HEAVY TAX BURDENS BORNE BY LOANING ORGANIZATIONS AT INSTANCE OF PROVINCES

Special Investigation Shows How Levies Have Been Increased Since Outbreak of the War

ONTARIO IS CHIEF OFFENDER

This Province First Introduced This "Vicious Class of Legislation"—Need for Educating the Public is Particularly Emphasized

THE increased burden of taxation which has been borne since the outbreak of the war by the loaning organizations in Canada, has been the subject of inquiry by a special committee of the Canadian Mortgage and Investments Association. Despite the fact that through the activities of this committee a measure of relief was secured, the different companies are bearing a very heavy charge at the hands of Provincial Governments—and there is some question as to the extent to which these are warranted by expenditures directly due to the war program.

A form was sent out to each member of the company and practically all of them sent in data to enable the committee to decide upon the general rate of increase under the Provincial Corporations' Taxation Acts, covering what might be referred to as extraordinary, or taxation apart from that common to all classes of business institutions or private individuals.

By asking for information respecting taxation in 1914 and in 1918, two purposes were served—the first of which was to give an idea of the increase in the five-year period of the ordinary, as well as some conception of the extent of war taxation imposed in the same period.

In obtaining special revenue for war purposes, investment institutions were dealt with in much the same way as all other business enterprises, and in that respect there was no discrimination, and the increased amounts they have been required to pay may be accepted as being necessary. It is not, however, so easy to understand the cause of advance in normal taxation producing a revenue for other than war purposes.

Some Big Increases

This class of tax increased in the case of Trust Companies in the period under review—1914 to 1918—31.03 per cent.; in the case of insurance companies, 40.30 per cent., and in the case of loan companies, 20.21 per cent. To the increase special municipal and miscellaneous taxation contributed very substantially. Municipalities doubled special charges in the same period and in the case of trust companies, the provinces added new charges of a miscellaneous character, increasing those under that head 100 per cent.; and those payable by insurance companies, 54.35 per cent. The bulk of special taxation of member institutions is imposed by the various Corporations' Taxation Acts of the provinces. The increase in the amount paid in this way was, in the case of trust companies, 23 per cent.; of insurance companies, 41.74 per cent., and of loan companies, 19.14 per cent.

The ratio of special taxation to paid-up capital, in the case of the three classes of institutions being dealt with, rose substantially. In 1914, for instance, the amount paid in the form of taxation represented .44 per cent. of capital, and in 1918 the amount paid was equal to .62 per cent. of the capital, and if the war taxation paid in 1918 is added the percentage paid to capital was 1.29 per cent. In the case of loan companies the 1914 special taxes represented .24 per cent., or practically ¼ of 1 per cent. of the paid-up capital, and for ordinary taxation there was but a slight increase in 1918. The returns examined showed an actual increase of .08 per cent.

In the matter of war taxation, however, the loan companies' payments amounted to .46 per cent. of the capital, making a total of practically ¾ of 1 per cent., which brought the total increase in their taxation, war and ordinary, up to 200 per cent. in the five-year period. Insurance companies' taxation of an ordinary character increased, in the period, 44.30 per cent., to which special municipal taxation was a very material factor. The amount of the taxation paid by this class of company in 1914 amounted to 7.62 per cent. of the capital, and in 1918 it had risen to 9.92 per cent., showing an increase of 2.69 per cent., or 35.30 per cent. increase in ratio of taxes to capital.

Attached to the report was a table showing the increase in taxation of the different classes of companies and the increase in the actual amounts paid according to classes in table No. 2.

Table No. 1—Percentage Increase of Special Taxes Paid by Investment Institutions, 1914-1918.

Nature of Tax	Trust Companies	Insurance Companies	Loan Companies
Corporation	23.00%	41.74%	19.14%
Fees	33.00%	32.56%	3.47%
Special Municipal	71.25%	119.26%	99.33%
Miscel. Provincial	100.90%	54.35%	16.69%
Dominion	......	24.72%	.....
Total Taxes (a)	31.03%	40.30%	20.21%
Inc. % ordinary taxation to capital	40.90%	30.19%	.08%
All taxes (b) increase % to capital	188.88%	35.30%	200.00%

(a) Exclusive of War Taxation.

(b) All taxes as given here do not include those paid by the public generally, such as income and real estate, but only those specially imposed upon certain classes of Corporations of which Trust, Insurance and Loan Companies form the largest proportion.

Table No. 2—Taxes Paid by Trust Companies. (Seven Returns)

	1918	1914	Increase	% Inc.
Capital	$6,095,711	$6,048,116	$ 47,595	.77
Corpn. Taxes	25,668	20,873	4,795	23.00
Fees	3,734	3,112	922	33.00
Spl. Municipal	8,261	4,836	3,425	71.25
Misc. prov'l.	406	202	204	100.90
Dominion	....	....	....	.....
Total (exclusive of war taxes) $	38,269	$ 29,024	$ 9,045	31.03
% on Capital	00.62%	00.44%	00.18%	40.90
War Taxes $	40,883	....	....	.....
All taxes (%)	1.29%	.44%	00.85%	188.88

Taxes Paid by Insurance Companies. (Seven Returns)

Capital	$2,725,337	$2,455,571	$269,806	10.98
Corpn. Taxes	223,825	157,924	65,901	41.74
Fees	17,156	12,929	4,227	32.56
Spl. Muni. Taxes	23,766	10,888	12,880	119.26
Misc. Prov'l. Taxes	3,411	1,882	1,529	54.35
Dominion Taxes	1,854	1,455	399	24.72
Total (excl. of war)	270,014	$ 185,078	$ 84,934	44.30
% on Capital	9.92%	7.62%	2.30%	30.19
War Taxes $	11,033	....	......	.....
All Taxes (%)	10.31%	7.62%	2.69%	35.30

Taxes Paid by Loan Companies (Thirteen Returns)

Capital	$19,156,115	$18,435,381	$720,734	3.91
Corpn. Taxes	41,295	34,671	6,623	19.14
Fees	2,917	2,819	98	3.47
Spl. Muni. Taxes	2.402	1,205	1,197	99.33
Misc. Prov. Taxes	3,139	2,690	449	16.69
Total (excl. of War Taxes $	49,754	$ 41,387	$ 8,367	20.21
% on Capital	00.26%	00.24%	00.02%	.08
War Taxes $	88,527	....	......	.....

Another measure of the increased taxation of life insurance companies doing business in Canada is furnished by a comparison of the taxes paid with premiums received. We find that the percentage of taxes to premiums in 1913 was 1.57 per cent., and there was a steady advance up to 1917, when it reached 2.07 per cent., and no doubt when the recent taxation becomes effective this year, there will be another increase.

Ontario set the Pace

To indicate the extent to which dependence has been placed upon corporations for provincial revenue, reference was made to the experience of Ontario, "the province responsible for the introduction of this vicious class of taxation." In 1910, out of a total revenue of $752,238 from all corporations, including large transportation companies, the life, loan and trust companies contributed $193,836. In 1918 the same class contributed $566,834 out of a total of $1,773,685. The banks of Ontario contributed to the province in 1918 a revenue of $194,573. We are quoting the latter figure to show the proportion of taxes paid by the banks with their hundreds of branches in the province as compared with the $586,834 paid by the life, loan and trust companies.

Need For Education

The conclusion reached by the committee was that as the loaning organizations were being unfairly burdened, an effort should be made to secure more equitable treatment and that an effort should be made to educate the public regarding all the facts and circumstances. To quote:—

> Your Committee, while realizing that for war purposes there will be a continued demand for revenue (and it is the part of investment institutions to assist in obtaining this revenue) feel that the burden of the taxation should be distributed equitably. Insofar as the Dominion taxation is concerned, there is no serious ground for taking objection to the principles in which the spcial war taxes have been applied. As we indicated in the course of our review of the increase of normal taxation in Municipalities and Provinces, it is difficult to discover any equitable principle which has guided the authorities in levying special charges and taxes. To take in the form of a tax, part of the interest which a borrower has agreed to pay to a lender under the terms of a contract cannot be regarded as being other than statutory confiscation, and the same applies to the taking (in the same way) of part of a premium payment on account of an insurance contract. Ultimately, and this is a point not generally understood, the taxes on interest are borne in the form of higher rates that must necessarily be charged to borrowers, and in the case of the taxes on premium payments on insurance contracts the beneficiary under the policy secures less insurance. While these obvious results are not apparent to the general public, the prospect of modification of this form of taxation is not very hopeful. Our efforts, therefore, might be directed to the education of the public as to the character of the services which are rendered by Investment Institutions.

MANY OPINIONS ARE HELD REGARDING THE OUTLOOK FOR BRITISH CAPITAL

Continued from page 17.

of the mortgage indebtedness was being paid off, and with better conditions among the farmers there was not the same new demand. The same condition prevailed in Eastern Canada, so far as the requirements for new money were concerned: there was little building and, therefore, little required, compared with normal times for development purposes; not only builders, but manufacturers preferring to wait for more definite conditions before they launched forth. Another reason for a slackness in the demand for funds from any one quarter was that there was so much money available in different quarters, individuals who had made money during the war, and firms who had temporary supplies that they were willing to loan until this was needed for their own purposes.

"Thus the main purpose of the loan company is verified in the smaller amounts we have out now: it is not to get people out of debt, but rather to get them into debt by supplying them with capital for development, for increasing their own and the country's productiveness. Hence, at the present time our main purpose is, to a great extent, in abeyance; we do not need any new capital.

Expect Higher Yield in England

"When the demand comes to us for capital, however, we do not know whether we will be able to pay the rates that may then be asked over there. It is hardly likely we will be able to get money as cheaply as we have in the past. It costs far more to live over there, and although the index number is showing a decline lately, the cost will be up permanently, and those who depend on incomes from investments will want a higher yield to live as they did before, and we may not be able to pay it. Of course, there is this to take into consideration, that a long-established institution will get money at a lower rate from those who have been accustomed to deal with it, and who would refuse a slightly higher rate from a source that might not continue this for a long term of years. But I do not expect much more money from England for a long time."

Much Activity on London 'Change

At the same time a perusal of the daily reports of the transactions on the London Exchange the last few weeks shows an increasing activity in sales and purchases of Canadian securities, Government, municipal, and industrial, including railway and public utilities. This in itself is looked upon by bond men, in some sort of contradistinction to bank men, as an indication of a coming activity on the part of British investors on this side of the water.

The extent to which the British market has faded away so far as supplying capital to Canada is concerned is shown by the tables given below, covering the total sales for each year since 1912 of Canadian Government, municipal, railway, public security corporation, and miscellaneous securities, in the Canadian, British and United States markets.

Great Britain's Supply Faded

Seven years ago Great Britain supplied 74.83 per cent. of the capital involved in these sales; Canada took 13.82 per cent. and the United States 11.35 per cent.

In 1914, the first year of the war, the British per cent. had shrunk a little, to 68.14, while the United States, free from war, rose to 19.77 per cent.

The following year saw the beginning of the curtailment of British capital and only 14.18 per cent. came over, while on Canada was thrown the burden of 43.71 per cent., and the United States absorbed the balance of 42.11 per cent.

In 1916 the British share fell to 1.55 per cent., and while Canada did a little less, the United States, then in the height of its non-war prosperity, purchased 64.89 per cent., or a total of $205,675,000.

In 1917, Canada had started its Victory loans, as well as the war loans of the spring, and out of a grand total of $75,346,000, this country was good for $564,513,000; Great Britain taking a fraction under 1 per cent., and the United States, then with a war on her hands in earnest, purchasing the amount of $186,911,000, which included looking after a war loan for Canada.

Last year saw Canada reaching the high record for domestic financing with a total of $724,849,000 out of the aggregate of $763,968,000, or 94.87 per cent., while Great Britain took a nominal amount of $3,163,000, and the United States came to our aid with $35,955,000, or a percentage of 4.70.

Canada Supplied $1,661,604,000

While back in 1913, the year preceding the war, Canada supplied capital for only 12.2 per cent. of the securities sold, the necessities of the war that closed the British markets and made this country last year almost self-sustaining, so far as finances were concerned, raised her average during the past eight years to over 50 per cent.; that is, out of a total of $3,098,790,000, this country supplied $1,661,604,000, or 53.63 per cent., while Great Britain and the United States were almost equal, the former with a grand total of $729,134,000, or 23.22 per cent., and the United States with $708,143,000, or 23.15 per cent.

And so far, Canada's power to absorb investments is holding up remarkably well.

MORTGAGE SITUATION IN B.C.

Conditions Have Been Gradually Recovering During Past Two Years

Following is a paragraph from a letter written by the general manager of a Vancouver mortgage company:

"You are, no doubt, aware that during the war years the mortgage situation hereabouts was, for mortgagees, the reverse of pleasant. When the war broke out, August, 1914, we had just weathered two years of very serious depression, and the outbreak of hostilities capped our woes. Rental values for both business and residential properties sagged below a level sufficient to cover carrying charges, and the natural resources of our Province generally were not in demand, thus further complicating the situation. During the past two years there has been a gradual return to normality, and the feeling is buoyant in all walks of business and commercial life; the only cloud on the horizon being the high cost of living and its general effect upon the cost of production. Granted, however, we have no serious labor and taxation problems to face, we look for continuous improvement."

TO THOSE WHO WOULD NAME A PERSONAL FRIEND AS TRUSTEE

OFTEN it is desired to keep an estate under the supervision of a friend or member of the family, and yet avoid the danger of individual trusteeship, such as illness, death, or other circumstances that may impair the estate.

This may easily be accomplished by naming The Royal Trust Company as co-excutor and co-trustee.

Such a precaution is particularly advisable when a wife or other woman relative is to be executrix and trustee, because the company can relieve her entirely of the heavy responsibilities and arduous details, as it has unexcelled organization and wide experience in handling personal trusts.

Enquire either in person or by mail at our nearest office for full particulars.

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T67

The British Mortgage Loan Company of Ontario
Stratford, Canada
Established 1877

Capital Paid Up - - $ 500,000
Reserve Fund - - 410,000
Total Assets Over - 2,600,000

J. W. SCOTT, President
HON. NELSON MONTEITH, Vice-President J. A. DAVIDSON, Managing Director

The Waterloo County Loan and Savings Company
INCORPORATED APRIL, 1913

PROGRESS IN FIVE YEARS:
Assets—December 31, 1914 $ 566,329.73
Assets— " " 1915 776,340.36
Assets— " " 1916 1,076,678.96
Assets— " " 1917 1,408,131.16
Assets— " " 1918 1,846,040.73

Statement for December 31st, 1918, shows Assets as follows:
Mortgages $ 589,994.25
Dominion War Bonds, Provincial and Municipal School Debentures 1,015,489.81
Loans on Securities 19,855.35
Office Premises and Real Estate 50,972.57
Cash on Hand and on Deposit 169,728.25
$1,846,040.23

Liabilities are:
Deposits and Debentures $1,256,335.66
Capital Stock Paid-up 481,802.43
Dividend No. 6, payable January 2nd, 1919 13,370.20
Contingent Account 8,000.00
Reserve Fund and Undivided Profits 86,531.94
$1,846,040.23

Parties desiring information regarding capital stock or debentures will receive it from the Head Office at Waterloo, Ontario.

Offices: Kitchener and Waterloo, Ontario

THOS. HILLIARD, President.
E. F. SEAGRAM, Vice-President
P. V. WILSON, General Manager

INSURANCE COMPANIES INVESTING MORE FREELY IN LOANS AND MORTGAGES

Relatively, However, These Form Smaller Proportion of Total Assets of These Institutions

EXPERIENCE NINETEEN-EIGHTEEN

Investments by Insurance Companies in Mortgages Fall Off by Over Two Million Dollars and Now Comprise But Little Over One-Fourth of Total Assets

INSURANCE company investments in mortgage loans are governed by somewhat different factors than those affecting the investments of loan companies proper. It is the loan company's special function to deal in these loans and, if for any reason, other investments are sought it is largely because of an absence of demand for mortgages. On the other hand the insurance company has no particular call to put its money into this form of security and only does so because it may offer certain attractions. In fact, there are insurance companies which have no mortgage investments whatever.

This being the case, the relation of the insurance companies to this type of investment affords a somewhat different commentary on the state of the mortgage field than does the experience of the loan companies. For example, the demand for mortgages may be very good but, because of the attractiveness of bond investments, the insurance companies may feel it desirable to decline to make mortgage loans and buy bonds instead. That is to say, limited loaning on the part of the insurance group may be no indication that the demand for mortgages is slack.

More Money Being Loaned

At the present time there is no question that the insurance companies are putting out considerably more money in mortgage loans than a year ago. They are not doing this, however, because the demand for loans is greater, though this is actually the case, but because they are driven back to this type of investment on account of the high prices now being asked for bonds. Mortgage investments are to-day returning a much better yield than are first-class bond investments and it is but natural that funds should flow into this channel.

There are, however, certain factors which will tend to restrain any large developments in this direction. Some companies have had to make heavy payments on their Victory Loan subscriptions this year, which has tied up a certain amount of money. Then again there is the new Dominion loan in the fall to which the insurance companies will doubtless be required to contribute liberally. To provide for it, it will be necessary to conserve funds carefully. Of course, insurance company incomes are expanding rapidly and there is more money available for investment, but it will be the policy of these institutions to move along conservative lines and not plunge too rapidly into a variety of investments.

Effect of the War on Loans

With statistics available for the year 1918, it is now possible to gain a fairly clear idea of the effect of the war on the loaning business of these institutions. Relatively the mortgage loan as an investment of Canadian life companies reached its high point in 1913, when holdings of these securities represented 37.39 per cent. of total assets. While the gross amount of loans continued to increase in 1914 and 1915, yet the relative position of these loans showed that more attention was being paid to other investments, the percentage of total assets being 36.75 in 1914 and 35.02 in 1915.

In 1916, the third year of the war, mortgage loans fell off both absolutely and relatively and this condition continued throughout 1917 and 1918. At the end of last year, as will be noted by the following table, the total was $90,653,299, as compared with $96,058,935 at the end of 1915, while the percentage of total assets was down to 26.09 per cent., against a high of 37.39 per cent. in 1913.

Table Illustrating How the Percentage of Canadian Life Company Assets Invested in Mortgage Loans Has Risen and Fallen in the Past Fourteen Years.

Year	Total Asests.	Mortgages	Per Cent.
1905	$102,438,414	$26,703,010	26.06
1906	114,560,833	31,822,209	27.78
1907	125,178,214	36,674,313	29.30
1908	138,491,378	39,817,658	28.75
1909	153,790,291	45,346,488	29.48
1910	170,804,631	53,159,839	31.23
1911	190,722,358	63,565,430	33.33
1912	211,632,875	75,248,268	35.55
1913	233,244,496	87,215,996	37.39
1914	257,826,939	94,765,472	36.75
1915	274,243,433	96,058,935	35.02
1916	298,247,383	95,916,630	32.15
1917	322,753,547	92,703,647	28.72
1918	347,507,696	90,653,299	26.09

Relation to Other Investments

The relation of the mortgage loan to other types of investment, for the years 1905, 1910, 1915, 1917, and 1918, is shown in the next table. This indicates an interesting evolution, for in 1915 the percentage of assets invested in mortgages was almost identical with that in 1918, while the percentage invested in stocks, bonds and debentures was also nearly the same. In the interval, relative holdings of the latter classes of security fell off until 1915 and then increased until 1918, while mortgage investments followed the opposite course.

Table Illustrating How the Relative Importance of Mortgage Loans to Other Forms of Investment Has Changed in the Case of Canadian Life Companies.

Security	1905 %	1910 %	1915 %	1917 %	1918 %
Real Estate	4.68	3.94	5.14	5.41	5.16
Mortgages	26.07	31.12	35.02	28.72	26.09
Loans on Collateral	3.33	.99	.62	.39	.35
Loans on Policies	9.45	11.95	14.34	13.24	12.63
Bonds & Debentures	*48.73	37.58	31.45	40.52	44.17
Stock	....	8.82	6.60	5.80	6.03
Cash	2.67	1.34	1.88	1.29	1.12
Agents' Balances	.12	....	....	....	....
Int. & Rents Accrued	1.38	1.60	2.45	2.27	2.14
Prem. Outstanding	3.27	2.50	2.39	2.24	2.25
Other Assets	.30	.16	.11	.08	.06
	100.00	100.00	100.00	100.00	100.00

*In 1905 stocks, bonds and debentures were shown in one lump sum in the insurance returns.

Two conditions have brought about these results. The decade from 1905 to 1915 included the years of greatest expansion in Western Canada. Money for mortgages was in great request and insurance companies had little difficulty in loaning all available funds at favorable rates. During the same period interest rates on stocks, bonds and debentures were low and the mortgage loan had the preference as an investment. Next came the war bringing a complete reversal of this situation. Expansion was curtailed; there was a falling off in the demand for mortgage money and loans instead of being renewed were frequently paid off. At the same time huge Government borrowing began, which depressed prices in the bond market and enabled insurance companies to purchase bonds on favorable terms. The natural result was to put a temporary termination to the mortgage business and divert funds into bonds.

Amount Invested in Mortgages

The total funds invested in mortgage loans in Canada by insurance companies of all classes operating under Dominion licenses approximated $130,000,000 at the end of 1918. Of this over $90,000,000 belonged to the Canadian life companies and over $2,000,000 to the Canadian fire companies. Figures for the fraternal benefit societies are not at hand but presumably they would approximate about $9,000,000. That is to say domestic companies had over $100,000,000 invested in this form of security.

There has been a drop in the total since 1914, as will be found by reference to the following table.

Total of Funds Invested in Mortgage Loans in Canada by Insurance Companies Operating Under Dominion Licenses

	1914	1916	1918
Can. Iife Co.	$ 94,765,472	$ 95,921,380	$ 90,653,299
Brit. & Col. Life Co.	18,420,270	16,942,175	14,222,507
U.S. Life Co.	9,173,058	11,087,153	10,639,987
Canadian Fire Co.	2,169,250	3,343,750	2,231,197
British Fire Co.	14,695,586	5,321,817	3,918,600
U.S. Fire Co.	8,500	....	....
Can. Acct. Co., etc.	160,636	143,599	120,210
Brit. & For. Acct. Co.	....	....	....
	$140,392,772	$132,759,874	$121,785,800

TRUST COMPANIES TO SHARE IN GENERAL PROSPERITY

Services as Executors and Trustees Are Becoming More and More Appreciated

EDGAR Crammond, speaking at the Institute of Bankers of Great Britain, on "The Economic Outlook" has called attention to the fact that following on all the important wars since 1793, there had been periods of increased production, and intense economic expansion, and gave reasons for believing that the same sequence is now in progress. "It is my reasoned and deliberate conviction," he says, "that as a result of the war, the economic development of the world has been impelled forward by at least two generations, and we are on the eve of a periods of intense activity and trade such as the world has never known."

Sir George Paish, that eminent financier and publicist, when discussing recently these after effects on trade in the various countries of the world, expressed the opinion that the two countries which would recover more quickly than others would be Canada and South America.

Some years ago the late Lord Strathcona made a hopeful prediction as to the future of the Dominion. He stated that the one regret of his life then was that he was near he end of his career instead of at the beginning, as the young men he was addressing would see far more wonderful things in the growth of Canada in the future than he himself had ever witnessed.

Trust Company Growth

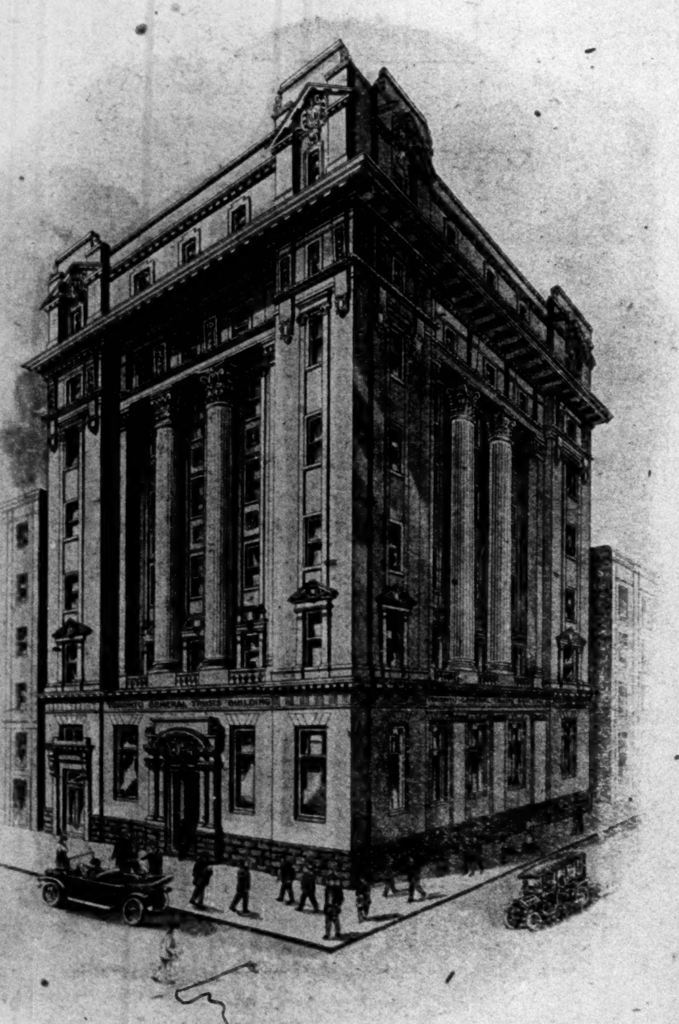
When one considers the rapid growth of trust companies in the United States during the past quarter of a century, due directly to the great wealth and increase in the business of that country, and that similar conditions will prevail here in the coming days, it seems safe to conclude that the growth of the business of trust companies in Canada will proceed along parallel lines.

The old method of estate management by a private trustee is generally regarded as inadequate under modern conditions. The trust company has the advantage of corporate responsibility, which involves continuous life, and of proper offices with safety deposit vaults and special employees in each department devoting their time and attention exclusively to their special functions. Especially in the estate of a man with large business interests do the services of a trust company, in the management of his estate, prove indispensable. The private trusteeship works a double injustice to the person so appointed. To render the proper service to the estate demands that he devote the time necessary to manage the estate, and this involves taking it from his own business, and then it generally requires time to participate in the management of a business of which he has little or practically no knowledge. With a trust company the case is different. When named as executors and trustees under wills its whole services, the management by its several departments, real estate, mortgages, insurance, investments, ets., (as those comprise the assets of an estate), are at the entire diposal of an estate. The business man with foresight, if he has been successful in business, can, if he so desires, authorize his trustee in his will to carry on or continue his interest in the business for such time as he may direct, or he may deem advisable, or sell or dispose of the same after his death as they may consider to be in the best interests of the estate. In the carrying out of this provision, his estate secures this further protection in that very difficult or important question which may arise, whether in the management or realization of the estate, in the investment of moneys, or in any matter affecting the interest of his estate or business it is carefully considered and disposed of by a trained executive in close touch and counsel with a board of directors, composed of commercial, financial and legal men of ability and standing in the community.

Investing Estate Funds

Then there is the question of prime importance to an estate of the investment of the estate funds to the best advantage. The investment department of the up-to-date trust company is in immediate touch with financial conditions, and is in a position to buy or sell securities and such other investments as the will may instruct it to continue or make.

The growth of trust companies in Canada since 1882, when the first Canadian company started business has been very remarkable. The total assets under administration of all the Canadian trust companies, according to the latest figures available, approach $500,000,000.



Head Office Building and Safety Deposit Vaults
Bay and Melinda Streets, Toronto

The
Toronto General Trusts Corporation
Established 1882
The Oldest Trust Company in Canada

Capital $1,500,000 Reserve Fund $2,000,000
Assets under Administration exceed $90,000,000
(As at January 1st, 1919)

The key to the success of the business of this Corporation is
SERVICE

For a period extending over thirty-seven years it has been our constant endeavour to furnish first-class service to our clients in the following offices:—

Trustees for Bond Issues
Registrar
Liquidator
Financial Agents
Executors
Administrators
Transfer Agents
Receiver
Assignees
Attorneys
Trustees
Guardians
Committee of Lunacies, etc., etc.

BOARD OF DIRECTORS
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HON. FEATHERSTON OSLER, K.C., D.C.L.
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Director North American Life Assurance Co.
Chairman Board of Trustees, Queen's University at Kingston.
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Director The Canadian Bank of Commerce;
Canada Life Assurance Co., etc.

HON. W. C. EDWARDS,
Senator Dominion of Canada.
WELLINGTON FRANCIS, K.C.
President Standard Bank; Vice-President Consumers' Gas Co.; Vice-President Toronto Mortgage Co.
A. C. HARDY
Director G. T. Fulford Co., Ltd.
JOHN HOSKIN, K.C., LL.D., D.C.L.
Director of The Canadian Bank of Commerce, The Canada Life Assurance Co., President Canada Landed and National Investment Co., and Treasurer of the Law Society of Upper Canada.
LIEUT.-COL. R. W. LEONARD
President Coniagas Mines, Limited; President of the Canadian Engineering Institute.
THOMAS LONG
Director of The Merchants Bank of Canada; Consumers' Gas Co.
W. D. MATTHEWS
Vice-President of The Dominion Bank and Canada Permanent Mortgage Corp'n; Director of The Canadian Pacific Railway Company, etc.
HON. PETER McLAREN
Senator Dominion of Canada.

J. BRUCE MACDONALD
HON. SIR DANIEL H. McMILLAN, K.C.M.G.
Director of the Great West Life Assurance Co.
LIEUT.-COL. JOHN F. MICHIE
President Michie Co., Limited, Toronto; Director Confederation Life Association; Imperial Bank of Canada.
SIR EDMUND B. OSLER
President of The Dominion Bank; Director of The Canadian Pacific Railway Company, etc.
J. G. SCOTT, K.C.,
Master of Titles.
SIR EDMUND WALKER, C.V.O., LL.D.
President of The Canadian Bank of Commerce; Chairman of the Board of Governors, University of Toronto.
E. C. WHITNEY
Director Bank of Ottawa
E. T. MALONE, K.C.
Vice-President Imperial Life Assurance Co.; Director Globe Printing Co.
H. H. WILLIAMS
Director Dominion Bank; Imperial Life Assurance Co.

The total assets of this Corporation have doubled in value during the past eight years as shown by the following statement:

1911	$45,086,659.99
1912	$53,852,564,15
1913	$63,055,883.97
1914	$67,421,090.99
1915	$71,869,470.10
1916	$77,180,513.62
1917	$83,286,782.69
1918	$90,832,629.80

OFFICERS
A. D. LANGMUIR
General Manager
WM. G. WATSON
Assistant General Manager
T. J. MAGUIRE
Secretary
CHAS. E. ROBIN
Trust Officer
JAMES LANG
Comptroller
J. W. BURGESS
Assistant Secretary
H. B. MORPHY
Transfer Officer
W. N. LONSDALE
Superintendent of Real Estate
JOHN COWAN
Publicity and Service Officer
Ottawa Branch
JAMES DAVEY, Manager
J. FRED DAVEY, Secretary
Winnipeg Branch
JOHN PATON, Manager
H. W. JOHNSTON, Secretary
Saskatoon Branch
F. G. LEWIN, Manager
Vancouver Branch
H. M. FORBES, Manager for B.C.

All business entrusted to this Corporation receives careful attention, competent management and prompt dispatch.

Head Office
Toronto General Trusts Building, Bay and Melinda Streets, Toronto

INDICATIONS THAT EUROPEAN CAPITAL WILL AGAIN COME TO CANADA IN NEAR FUTURE

This Despite the Present Efforts to Establish Credits as a Basis of Selling Our Products

OPPORTUNITIES WILL BE SOUGHT

French and Belgian Funds Will be Sent to America if Our Taxes Are More Favorable and Reasonable Treatment is Accorded to These Foreign Investors

By H. H. BLACK.

THE very fact that increased commercial relations with France appear dependent on the establishment of a credit by the Canadian Government in France would seem to preclude any expectation of an influx of French capital into Canada, such as came before the war. For even with England—where capital is forbidden to leave the country for investment outside, an exception is made to cover commercial imports from Canada and other countries. It might be argued, therefore, that these last being excepted also, "much more, therefore," are we removed from the approach of capital for investment and development purposes.

But THE FINANCIAL POST does not find that Canadians who have been accustomed to look to French—or Belgian—financiers for money, agree to any extent with this theory. There is a general restriction imposed by the Government, continuing for three months after peace is signed, upon capital going outside, much as is the condition in England, but already many inquiries have come over concerning investments, and one prominent French-Canadian has received one consignment of several hundred thousand dollars, that he has been "prayed" to invest in "anything good, it hardly matters what," so eager is he to escape high taxes and the unstable conditions he expects to continue for years to come.

Another French-Canadian financier, who is in close touch with Paris, told THE FINANCIAL POST that he looked for lots of wealthy French families to send their money out of that country for investment. His idea is that with high taxes and a possible continuation of the moratorium, and also a lasting fear of a future upheaval, perhaps in the form of war, there will be a rush to divide incomes among securities of England, Canada, the States, and probably Holland. "The poor Belgian, worth millions, found himself so tied up during the war that he could not buy a piece of bread in his hunger.

"As soon as exchange comes to normal we will get all the money we can use from France and Belgium, for there is lots of it in circulation over there, just as in England, and Canada and the States. The war made fortunes there as here, and the farmers there are as well off as ours here—and for a similar reason."

Another financial man in close touch, through a Paris agency of the institution over which he presides, made the following statement: "From the information I have I expect money will remain pretty high over there, owing to the increased taxation, cost of living, and other reasons. The people are very heavily taxed and they will send over here to escape the high tax in part. This will apply to individuals rather than companies: their money must stay there, as it will be required for reconstruction, and there is a readier control of it through Government influence."

A third report was that, "From correspondence we have had with big Paris financiers, we don't expect money will be cheap in Europe. Construction will take a lot in itself. Then the restrictions on immigration, as in the past, are likely to continue. We got money before the war at 4 to 5 per cent.—now the rates are fully as high as in Canada."

An interesting report reached THE FINANCIAL POST of an effort now being made in Paris to dispose of hundreds of thousands there of Canadian money—a reversal of the idea of French capital for Canada.

The rate of exchange has suggested this. Recently there has been a rise, and to-day it runs at about 6.28 to 6.32 francs, or it requires 628 to 632 francs to purchase $100. The theory behind this effort to invest Canadian money in France is that it will purchase 630 francs, say, per $100 to-day, and in a year or two, perhaps, exchange will be down more towards normal, so that in converting the Canadian loan from francs to Canadian currency, it may be done perhaps on a basis of 550 francs or less for $100, or a gain of 85 francs or so on every $100. The normal exchange is about 5.15 francs, or 515 francs to purchase $100.

How Exchange is Working

This same exchange question militates against English investments in Canada, where, instead of $4.86 2-3, the normal rate, it is now about $4.80, or £1 will produce only $4.80 instead of $4.86 2-3. But this is a great improvement over the rate in March last, when, for a short time it fell to $4.74 per £, when the purchase of Canadian securities would have meant a heavy loss when exchange came back to normal.

The reverse side comes in connection with United States investments. In last week's issue of THE FINANCIAL POST it was shown that the New Brunswick $1,000,000 bonds, although yielding only 5.035 per cent. at the selling price in Canada, would give a yield of over 6 per cent. in the United States through an advantage of nearly 3 cents on the dollar. Thus United States investors get the benefit of this in purchasing Canadian securities at the present time.

ONTARIO LEGISLATURE FAILS TO ASSUME RESPONSIBILITY

Continued from page 19.

curities has been regularly paid for the previous ten years.

A clause applying only to trust companies provides that moneys entrusted to them to be invested as trustee, of which payment is guaranteed, shall be invested only in securities authorized by the Trustee Act, that securities to the full amount of the moneys so received shall be earmarked and set aside as definitely pledged as security therefor, and that a sworn return of such securities shall be made to the registrar quarterly.

Precautions Are Favored

With one exception, to which reference will be made later, these are the provisions of the act to amend the Loan and Trust Corporations' Act which was enacted at the recent session of the Ontario Legislature. Whether they will add anything to the security of the investing public may be open to question, but the corporations do not object to them. These corporations would like to see it made impossible for incompetent, speculative or unscrupulous officers and directors to play ducks and drakes with any institution bearing the name of a loan company. It is greatly in their interest that the high standing and almost unsullied reputation of these institutions should be maintained. Whether this can be guaranteed by the amending or any additional legislation is far from a certainty. The question is one between legislation and administration. Unless qualified and experienced officials with adequate assistance see that the law is complied with, require proper and enlightening returns to be made, carefully examine those returns and require explanations to be furnished of anything which is open to question and generally exercise the powers with which the registrar has been clothed for years, it is difficult to see wherein the power to wreck a corporation has been limited. Given this careful supervision, the public were fully protected under the act as it was previously.

The only suggestion that emanated from the committee of the Legislature was made by one of its members and called for the appointment of a superintendent of loan corporations, for the purpose of better administering the act and seeing its provisions complied with. The representatives of the corporations informed the Government and the committee that they would welcome such an appointment. But Governments do not readily assume increased responsibilities, especially when the public will be better satisfied with more legislation.

Onus on Companies

Almost in the dying hours of the session the Government added the following clause to the bill, as an addition to section 136; which section empowers the Attorney-General to appoint a competent person to make a special examination of a corporation's business.

> "Upon the request of the Dominion Mortgage and Investments Association or the Land Mortgage Companies' Association of the Province of Ontario, the Attorney-General shall appoint an examiner as provided under Subsection 1 of this Section."

This was done without in anyway consulting either of the associations named, and was immediately objected to most strongly by the executive of both. There is no legal responsibility placed upon either association to take the initiative, but is there not an implied responsibility? It is not inconceivable that ministers and officials who, in the past, have declined or neglected to act when such convincing evidence was in their possession, might not be averse to excuse their inaction by the failure of the associations to avail themselves of the opportunity this amendment to the act affords them. These associations do not seek to evade responsibility, nor refuse to give the Government the benefit of their assistance and co-operation. They do think that if the Government wish to avail themselves of their experience and knowledge, they should have had a more direct voice in framing the protective measures to be taken, that their practical acquaintanceship with the details of loan company management should have been sought in drafting the form of return to be made and that a system should be devised by which these returns should be available to the representative of the association for examination with some authority to make enquiries and obtain further information which may be necessary. At present, these returns are in a form prescribed by the registrar, to whom they are required to be made, and by the act that officer and the Attorney-General, and they alone, are clothed with the fullest possible powers to exact any further information they may consider requisite and to inflict penalties for non-compliance. With these officials, therefore, the responsibility must rest.

Legislation Ineffective

What, then, can it be said has been accomplished? Nothing of a positive nature can be claimed for the amending legislation. The causes of the disaster could have been got at as effectively under the act as it has existed for years. The new return to be made is more voluminous and complicated than the former one, but the registrar previously had the right to require a return in any form he might prescribe. That small portion of the public which may peruse the Government's published returns will not find the one now adopted more enlightening. The previous return was sufficiently confusing to the uninitiated. To anyone but an expert accountant the new one will be as informative as a Greek testament to one who can read only English.

But the clamoring public and politicians have been given a soporific. The efficacy of the measures taken will depend, as in the past, upon the supervision exercised. If the department is sufficiently manned with competent, painstaking officials who will intelligently scrutinize the returns they receive, and faithfully and fearlessly discharge the duties which the act imposes upon them, any such unsound condition as led to last year's deplorable failure should be readily discovered.

In the meantime, the public should exercise the same prudence and discrimination with respect to this as to other classes of investments. The fact that the business of loaning on the security of real estate mortgages, when properly conducted by men of experience, ability and honesty, is one of the safest in the world, and the almost entire freedom from disaster to the public through the operations of these companies, does not warrant throwing discretion to the winds. No law can prevent incapable, inexperienced or unscrupulous men from embarking upon this or any other business. Imitation may be the sincerest form of flattery, but when the name of one of the oldest, largest and strongest of our companies was imitated as closely as the law would permit, suspicion might very well have been aroused. An intending investor or depositor should subject a company's record and reputation to the closest scrutiny and is entitled to the fullest information with respect to its statement.

Such particulars as were given by one of our long established companies in its latest report, viz., that its 15,590 mortgages averaged $1,688 each, throw a flood of light on the character of its investments. A statement that the payments received from mortgages during the year aggregated approximately twenty per cent. of the total mortgage loans, indicates the care with which the company is managed. Such information is readily obtainable and will be cheerfully supplied by managers who know the condition of their companies to be sound.

A number of our Ontario land mortgage companies antedate Confederation by several years, while nearly all date far back into the nineteennth century. These old companies have long and honorable records, of which those associated with them have every reason to be proud. Among these old-line companies failure is almost an unknown word and losses to creditors have been practically nil. To the discriminating investor, who takes the trouble to inform himself, the question as to the efficacy of the Government's measures is of little importance. The Government should, however, do everything in its power to protect those who do not take the trouble to inform themselves from the allurements which may be set before them by the designing, and in this the old-line companies, which are jealous of their splendid reputations, will be only too glad to be of assistance.

The Canada Standard Loan Co.

Head Office, Winnipeg

$100 BONDS ISSUED

Repayable in three or five years. Interest paid half-yearly. Particulars and interest rates on application.

J. C. Kyle, Man.-Dir. **520 McIntyre Block** **Winnipeg**

THE TORONTO MORTGAGE CO.

13 TORONTO STREET, TORONTO

Wellington Francis, K.C. President Herbert Langlois, Vice-President

Present Cash Value of Total Assets - - - $3,171,712,05
Surplus, Over all Liabilities to Public - - $1,398,528,44

4% *Allowed on Savings Deposits, Withdrawable by Cheque.*

5% *Paid on Debentures, in all denominations for two to five years.*

Telephone Main 1221

LEGAL INVESTMENT FOR TRUST FUNDS

Walter Gillespie Manager

Central Canada Loan and Savings Company

26 King Street East, Toronto

Capital Paid Up, $1,750,000 **Reserve Fund, $1,750,000**

Surplus Security for Depositors and Debenture Holders

Total Assets December 31st, 1918	$9,104,030.73
Uncalled Capital	750,000.00
	$9,854,030.73
Amount due Depositors and Debenture Holders, Dec. 31st, 1918	5,468,206.61
SURPLUS	$4,385,824.12

DEPOSITS

DEPOSITS RECEIVED in sums of $1.00 and upwards, subject to cheque withdrawal without notice. Special facilities are afforded depositors for the convenient transaction of their business, and deposits or withdrawals may be made by mail. Interest at the rate of 3½% per annum is added and compounded each half year on 30th June and 31st December.

DEBENTURES

DEBENTURES ISSUED for amounts of $100.00 and upwards. These debentures run for periods of from one to five years, and special rates of interest are allowed, depending on the term of investment. Coupons for half-yearly interest, payable 1st January and July are attached. Short term debentures, repayable on 60 days' notice, will be issued if desired, on which interest at 4½% will be allowed, payable by cheque each half year on 1st January and July.

E. R. WOOD, President
H. C. COX, Vice-President **G. A. MORROW, Vice-President**
A. B. FISHER, Secretary

TRUST COMPANIES RENDER AN IMPORTANT SERVICE TO THE HOLDERS OF BONDS

An Interesting Phase of Their Activities Not Generally Understood by Public

ADVANTAGES OF JOINT ISSUE

The Individual Bondholder Looks to the Trust Company for Protection in Carrying Out All Conditions of the Mortgage Agreement

THERE is one branch of trust company work not familiar to the general public, but important in the world of finance. This branch consists of services which the trust company performs for corporations or their shareholders. It includes, for example, transfer agencies. As transfer agent the trust company maintains records of the shareholders and of the transfers of shares in incorporated companies and issues the stock certificates. The principal stock exchanges of Canada and the United States require that this work be in the hands of a trust company so as to protect the public against an over-issue of stock. The work a trust company does for corporations includes also what may be conveniently described as the trust department of trust company work, which consists in the first place of trusteeships under bond mortgages, and in the second place of various fiduciary relationships such as acting as a depositary for shares or bonds under agreement where reorganizations are taking place or as depositary of money which is to be held in escrow until certain agreements are performed and the like.

To enable trustees to accept such trusteeships, it is the invariable and accepted practice to insert in trust instruments creating such trusteeships very wide trustee relief provisions relieving the trustee from all liability for acts done by it in good faith and entitling it to take and act on the advice of lawyers and other experts without being liable for any loss occasioned thereby. It is the aim of this article to give a sketch of a trust company's work as trustee for bondholders.

The most important and familiar of the functions above mentioned is that of trustee for bondholders under a bond mortgage. It is obvious that while when A borrows money from B and wishes to give security he can easily do so by mortgaging his assets or any part of them to B, the position is very different when A borrows from several score or hundreds or perhaps thousands of B's. In such a case it is difficult or impossible for each lender to have a separate mortgage given him. To overcome this difficulty a single mortgage for the whole amount which it is intended to borrow is made and the various lenders receive bonds which are issued subject to the terms of the mortgage and are expressed to be secured by it.

Benefits of Joint-Mortgage

The advantages of this plan are obvious. The borrower has only one mortgagee to deal with. The lender is not bothered with the position and duties of a mortgagee, and if he wishes to sell his security instead of having the trouble and expense of assigning a mortgage, he has merely to deliver his bond if unregistered or if registered by transferring it on the register.

We come next to consider the chief functions performed by a trustee for bondholders, apart from the mere acting as mortgagee of the property pledged to secure the bonds (usually known as the mortgaged premises). In the first place there is the certification of the bonds. Examine a bond. You will find in most cases a statement to the effect that it is not valid unless certified by the trustee, and somewhere on the bond, usually on the back, you will find a certificate signed by the trustee to the effect that it is one of the bonds referred to in the bond mortgage, which is then identified.

This does not mean that the trustee guarantees the bond. It means that it certifies it to be a bond of an issue secured by a certain mortgage. This it does to protect the bondholders against an over issue.

Next comes the question of delivery. This may follow the execution of the mortgage as a mere matter of course, or there may be certain conditions to be complied with, such as the completion of a certain undertaking or the discharge of a prior mortgage, or the giving of a guarantee. In such cases it is the duty of the trustee to see that the conditions whatever they may be are properly complied with before the bonds are delivered.

For the registration of the mortgage the trustee is relieved from liability; but none the less the almost invariable practice among the leading companies, is to insist on this being done unless the mortgagor company is specifically relieved by the bondholders from registration.

We now have our transaction fairly launched. The bond mortgage has been executed and registered, and the bonds have been certified and delivered.

Duties of the Trustee

It may be that matters will now move smoothly along,—that interest will be paid regularly to the holder of the bond, that the bonds will be met at maturity, and the mortgage discharged with no incident of any kind. Usually, however, the trustee will find that numerous points arise in which it is called upon to take action more or less responsible. Many of these matters will have been provided for by the bond mortgage, since these documents are now drawn to provide against many contingencies; but even under the mortgage there are for the trustee duties needing continuous attention. In addition questions may arise so unforseen and so important as to call for special action not in contemplation when the mortgage was drawn.

Bond mortgages usually, and in the case of industrial corporations, almost invariably provide for a sinking fund. The effect of this is to secure during the currency of the bonds a certain amount of the annual profits of the corporation to the improvement of the bondholders' security, instead of applying it entirely in payment of dividends to shareholders. The absence of such a provision in the case of an improvident borrowing corporation may mean that no proper appropriations are made during the currency of the bonds to meet them at maturity. It is usual to provide that when a sinking fund payment is to be invested the trustee will buy in the open market at the best price possible the bonds required for redemption; that failing this it will advertise for tenders from bondholders; and that if both measures fail or seem likely to, the trustee may draw bonds amounting to the sum available to redeem them; and the holders of the bonds drawn must turn them in and receive their value.

As bond mortgages invariably relieve the trustee of the duty of protecting the mortgaged premises by insurance this duty falls on the borrowing company. It is, however, usual for the trust mortgage to provide that policies shall be payable or assigned to the trustee as part of the security and to lay on the trustee certain duties in regard to the application of the proceeds. Trust companies usually maintain insurance departments, one of whose functions is to keep in close touch with the insurance situations in the various trusteeships. If one considers how miscellaneous are the insurable assets in, for example, a modern industrial plant, one will readily see the amount of work involved in the thorough performance of such a department's duties.

It is possible that as the borrowing corporation carries on its work, conditions will so change as to make it necessary or desirable for the company to make some modification in the mortgage security. For instance, the company may be able to dispose profitably of some of the mortgaged assets and to reinvest in other property, thus substituting for one part of the existing security another property of a value at least equal. In such a case the trustee must satisfy itself that full value is obtained for the assets sold and if it should think it necessary it may obtain an outside valuation. A considerable part of the trustee's work is in the careful watch it keeps on the security for the bonds of borrowing companies, to make sure that through all substitutions among various blocks of assets the value of the assets securing an issue of bonds is not diminished. This work involves the giving of releases for assets which are being released from the bond mortgage and the pledging of new assets. Such assets, of course, are not always real property; they may be plant or equipment, or even other securities.

Releasing Part of Assets

On the other hand the borrowing company may have available the cash necessary to release altogether part of the assets under mortgage and may wish so to release them. If this is so, the company with the consent of the trustee may turn over to it the cash value of such assets, to be used under the provisions of the trust deed, either for the purchase of other assets or for redeeming part of the bonds. The volume and importance of the business which arises under these two general heads of the substitution of assets or their release for cash may be guessed at from a recent statement by a leading New York trust company, which specializes in bond mortgage trusteeships, that the releases given by it average twenty a day. This sort of work evidently cannot be foreseen in its detail as readily as that which is done in connection with insurance of assets and management of sinking funds; and it will be understood also that the making too definite of the provisions dealing with it in the deed might unduly handicap the management of the borrowing corporation. In any large industrial enterprise the questions arising from day to day are such as to make it impossible for a trustee's oversight to extend to the company's every action. The broad lines of the trustee's duties are indicated by the statement that the borrowing company may do nothing which may impair the security on which the bond mortgage is issued.

A special class of issues involving special duties for the trustee is "construction" issues. Occasion for a construction issue arises when a borrowing company, while intending ultimately to issue bonds aggregating a certain amount, for any of various reasons may not wish to make the whole issue at the same time. A railroad company, for instance, which is building a railway does not require all its funds at once but rather as the construction of the road makes money necessary for it from time to time. Arrangements may, therefore, be made for the issuing of blocks of bonds at such times as the company's progress makes desirable. To satisfy itself of the efficient expenditure of the money already received by the borrowing company, the trustee is usually authorized to take the progress reports of contractors, or statements of the engineer, or it may be of the architect in charge. As these reports and statements accumulate, their proper filing and the keeping of them up to date may as will be imagined swell the trustee's work to very large proportions. Construction issues may also be made, should conditions in the bond market require, through the marketing of all of the bonds of an issue at one time. In this case the money is paid over to the trustee who pays it out at intervals to the borrowing company on the basis of reports and statements such as those mentioned above.

A trustee for bondholders occasionally has to discharge still another set of duties, when as the bond mortgagee put its, "the security becomes enforceable"—that is, when the borrowing company fails or seems likely to fail to meet its obligations to the bondholders. The security becomes enforceable under various circumstances, chiefly if:—

(a) The company made default for a stipulated period in the payment of any interest secured by the bonds.

(b) The company made default in the payment of any principal money secured by the bonds.

(c) By order or resolution the company were about to be wound up.

(d) A receiver were appointed or an encumbrancer took possession of any part of the mortgaged premises which the trustee considers essential.

(e) The company committed any breach of the covenant contained in the mortgage.

If any of the above conditions arise the trustee is charged with the duty of acting to protect generally the interests of the bondholders. It appoints and supervises any receiver whom it may be necessary to put in control of the mortgaged premises and calls meetings of bondholders when these may be advisable. It may be pointed out that during the war trust companies demonstrated effectively their value as trustee for bond mortgages. Notably in connection with companies whose bondholders were scattered through Europe and unable themselves to take collective action in their own behalf, the corporate trustee acting for them was able to take measures for the protection of their interests which would scarcely have been possible except through a trust company organization.

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First Vice-President—W. D. Matthews
Second Vice-President—R. S. Hudson
Joint General Managers—R. S. Hudson, John Massey
Assistant General Manager—George H. Smith

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RESERVE FUND (EARNED)	5,500,000.00
UNAPPROPRIATED PROFITS	172,509.77
CAPITAL AND SURPLUS	$11,672,509.77
INVESTMENTS	31,461,387.24

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Canada Permanent Building
Toronto Street Toronto

DIRECTORS:

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R. S. Hudson	Col. A. E. Gooderham
J. H. G. Hagarty	John Campbell, S.S.C.
John Massey	F. Gordon Osler
George H. Smith	William Mulock

PAID-UP CAPITAL $1,000,000.00

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CANADA PERMANENT MORTGAGE CORPORATION

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All interviews and correspondence confidential.

Solicitors introducing business are retained for any legal services in connection therewith.

CANADIAN SAVINGS ARE AN IMPORTANT FACTOR IN MORTGAGE INVESTMENTS

An Analysis of Funds Available to the Farmers in Western Canada

LOOKING TO THE FUTURE

A Great Deal Will Depend Upon Maintenance of Confidence to Encourage Both Home and Foreign Capital

By JOHN APPLETON.

A GOLD mine, a coal field, or a pulp mill established and profitably operating in the wilds, stands out, in the popular imagination, as representing our natural resources, and as symbolical of wealth. We have reason to be proud of these things, but in the aggregate they are a mere bagatelle as compared with the intrinsic value of Canada's farm lands, especially those in the West. The small proportion of them now under cultivation yields for the comfort and satisfaction of the people in far more liberal measure than any other class of our resources. To obtain such results, there have been applied the savings of millions of people—millions of small contributions. The millionaires—all those individuals commonly regarded as capitalists—have contributed a very insignificant part in providing the capital which has enabled many settlers to establish themselves on the agricultural lands in the prairie provinces.

From such returns as are available it is not possible to estimate precisely the amount of mortgage indebtedness or the money that has been loaned to farmers in the West. I would say $350,000,000. We can, however, determine with reasonable accuracy, the sources from which the money loaned by institutions, amounting to $265,000,000 is derived. That figure, of course, represents only the money gathered together by trust, loan and insurance companies. As already stated that is not the money of wealthy people, but of millions of men and women who, out of their savings, have handed a part to these companies for safe-keeping, and to earn for them interest.

Let me illustrate this by the operations of our life insurance companies. Those which make returns to the Government, show just what money they receive and how it is invested and for what purpose, have over 2,000,000 policy-holders in Canada. These policy-holders, to secure a payment to their beneficiaries upon their death or at a later date, of a stipulated amount, set aside so much a year, varying in accordance with the terms of the insurance contract. The amount may be from $1 upward. The beneficent character of such a contract is well understood and need not be dilated upon here. Contributions of this character by Canadians have resulted in the accumulation of assets which, at the end of 1917, reached the enormous sum of $485,000,000. Most people are well aware of the persistent efforts put forth by insurance agents to induce people to set aside given amounts to protect families or dependents in the case of untoward happenings.

It is, therefore, as a result of such persistency that these assets have been accumulated, and no one will be found to dispute the resulting benefits to the nation as a whole. Out of these assets no less than $123,000,000 is invested in farm mortgages. This money belongs to the policy-holders and is cared for by the insurance companies for them. They are merely trustees, and as such they are carefully watched by the Government. The Insurance Act allows the shareholders to take only a limited amount as remuneration for their services as trustees, and, goes further; it only permits the shareholders to invest the money of the policy-holders in securities which are considered to be safe, and among these farm mortgages are regarded as one of the best forms.

How Loan Companies Get Money

We have, by reference to the operations of the insurance companies, indicated as to how $123,000,000 of the money has been found for mortgages in Western Canada. There remains a balance of institutional investments to account for, about $142,000,000, a sum obtained as a result of getting together large numbers of small contributions. The larger loan and savings companies, as is generally known, are very persistent in sending out pamphlets and leaflets and other literature urging people to save money, deposit it with them and receive upon it rates of interest varying from three and a half to four and a half per cent. In this way this class of company has accumulated about $25,000,000, which represents the contributions of at least 100,000 depositors.

Of course, only a part of this can be invested in farm mortgages as these depositors may require their money at any time and get it. It would certainly be inconvenient for the individual farmer who has borrowed it on mortgage to have to pay it back at any time upon receiving thirty days' notice. The difficulty is bridged for the farmer by the loan company, whose shareholders put up, in the form of capital stock, a considerable amount out of which repayments to depositors can be made at any time. To do this the shareholders have to keep a certain amount of money in the form of securities that can be sold for cash at any time, and also to keep in their tills a certain amount of money, which, while there, does not earn anything in the form of interest. Probably about $20,000,000 of these deposits is represented by mortgages.

Money From Debentures

We still have left a balance of $122,000,000 to account for, part of which is represented by money obtained by the sale of debentures. A debenture is an obligation of a loan company and a charge upon its general assets in the same way as deposits. If a deposit is made with a loan company, say of $5000, it is withdrawable at any time on giving 30 days' notice. When a working man, or small tradesman, or farmer, goes to a loan company and says he will leave $500 for five years with this company if it will give him five per cent. on his money, that money has to be paid back to him on the date stipulated—that is at the end of five years. But the workingman, farmer, or professional man does not go to the loan company and offer his money in this way. Just as the average man and woman had to be personally solicited in order to contribute to the Victory Loan, so they have to be even more urgently solicited to buy loan company debentures, or to take out a life insurance policy, but the efforts of the companies, through their organizations and the confidence with which the public now regard them, have been able to induce about 50,000 people in Canada to buy debentures amounting to $24,000,000, practically the whole of which goes into mortgages.

Similarly the loan companies have, through their agents in Great Britain, sold to many thousands of men and women over there, who have saved a little money, what are known as "Sterling Debentures," the term "Sterling Debenture" is used to differentiate that class of document from the one used in Canada. When a Sterling Debenture is spoken of it means one payable in sterling—that is in the currency of Great Britain. In this way about $85,000;000 of money have been got together largely for the use of farmer borrowers. Several companies have been organized which have sold debentures in Holland, Belgium and France, and these debentures are bought there by many residents of these countries to the extent of about $20,000,000.

Trust Companies as a Factor

Already we have indicated the source of more money employed for mortgage lending purposes than is invested in the three prairie provinces. Although other provinces do not borrow to so large an extent, they still remain dependent in a large measure upon borrowed money. Ontario farmers who save money have to their credit in trust and loan companies and other financial institutions, more money than is necessary to supply the needs of those in the same province who have to borrow, but of the other sources mentioned there is still another slightly different to those already indicated. Reference is had to the trust companies. Of these there are now quite a number in Canada that enjoy public confidence to a very remarkable extent. This enables them to issue what are known as guaranteed receipts. If you go into the office of a good trust company and put $500 down on the counter the manager will tell you that he will guarantee to pay you five per cent. interest and pay you the principal back at the end of five years. In this way about $50,000,000 has been mobilized and invested partially in mortgages and partially in the debentures of villages, towns and cities. A still larger sum has been placed in the hands of trust companies by testators.

The old idea of one man appointing another to be his executor is fast giving place to the practice of those with a little money or an estate in the form of lands, to put it in the hands of a trust company for administration when the testator passes away. A father may, in this way, have provided for dependent children and his wife, and a mother may also have provided for the care of her little ones who have been so unfortunate as to become orphaned. A trust company can never take the place of a parent, but it may be the next best thing in so far as taking care of what estate may come to them.

These companies handle funds aggregating over $425,000,000. In the absence of instructions as to investment of these moneys by the testator they can only be invested in such securities as the Government of each province permits, and they, of course, all allow these moneys to go into first mortgages, and for that reason a very large sum of money is made annually available for the requirements of agricultural borrowers.

Importance of Loan Company Capital

In addition to the sources of mortgage money already mentioned, a most important one is the capital subscribed by shareholders in loan and trust companies, which amounts approximately to $110,000,000. This sum is the most useful inasmuch as it is available for his use in the form of mortgage loans, and also constitutes a guarantee of the security of the investments in such companies by the thousands upon thousands of small contributors to the total funds they handle in the form of mortgages.

It will be quite obvious to the untrained investor that to put savings into a company without capital would be somewhat hazardous, and likewise would it be hazardous to buy the debentures of a loan company without a reasonable proportion of paid up capital. A depositor or debenture-holder has a prior claim upon the assets of a company—that is to say in case of a company being liquidated, the depositor or debenture-holder would have to be paid in full before the shareholder got a nickel. For assuming that risk the shareholder is entitled to a better return on his money than are other contributors to the funds of loaning organizations.

The Outlook for Money

So far, we have referred to the sources of mortgage money at present invested in Western Canada. It may be of interest to refer now, briefly, to the outlook for a supply of money for farmers in the future. At present they are, in the aggregate, asking for a very considerable amount. It is safe to say that in the near future still larger amounts will be required. Many of the boys are coming back from the front and will want to develop their own homes on the land. Moreover it is quite likely that we will have people coming to settle amongst us and they will create a demand for implements, fencing, furniture, livestock and other things. These represent capital. To-day, but few men are willing to wait until they have created their own capital; that is have fenced their own farm with materials on it, built their own home out of the proceeds of their crops or awaited patiently the development of a herd of cattle from a thrifty cow. They want to start with an outfit and under circumstances which assure to them immediately a certain amount of comfort. This means they have to borrow housing accommodation, implements and fencing represented by the savings of someone else obtained for them through the agency of the institution to which reference has been made. These institutions have drawn their funds from Europe, the United Kingdom, and more particularly from the millions of small savers in Canada. It is not likely that Great Britain or Europe will be able to lend capital for mortgage purposes in the next few years.

Evidently, therefore, dependence will have to be placed upon the savings of the Canadian people. If they are to be in sufficient volume to meet future demands, it will be necessary for the institutions in question, who are now, and have been, the chief agencies through which savings have been accumulated, to be more active. Contrary to the popular impression, most of the mortgage money in Canada represents the savings of Canadian people, and it is upon them that future reliance will have to be placed.

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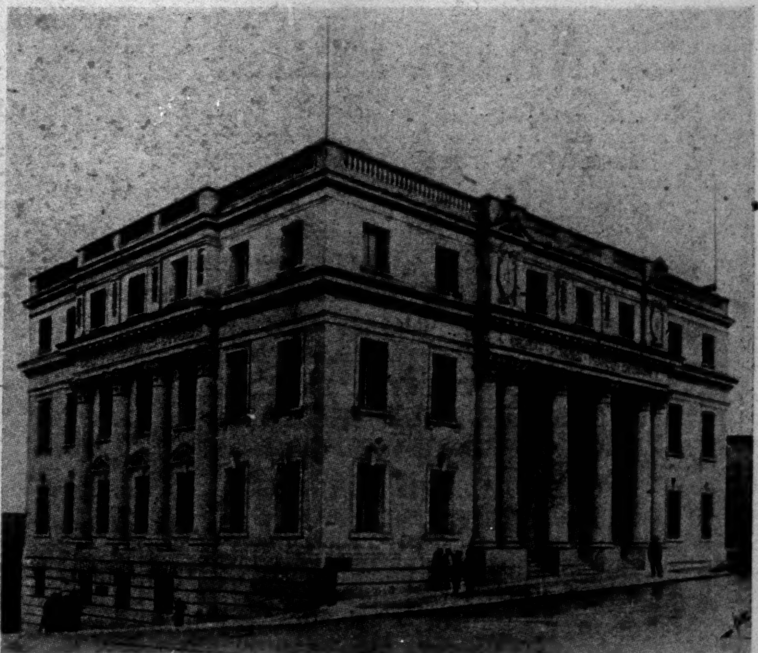

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LOAN COMPANIES HAVE WELL MAINTAINED THEIR POSITION DESPITE THE UNFAVORABLE CONDITIONS AND TRUST BUSINESS EXPANDS

Reduction of Debenture Liability to the Public a Reflection of Some Decline in Mortgage Requirements—Profits Satisfactory Under the Prevailing Conditions

FIFTY-FIVE of the leading mortgage organizations of Canada and twenty-two trust companies have this year contributed their financial statements to the annual loan and trust review number of the FINANCIAL POST.

From all but four of the loan companies and two of the trust companies, comparatively small concerns, figures for the past three years are available, and some interesting comparisons may, therefore, be made to indicate the trend of developments in the very important financial fields which they serve.

It will be noted, for example, that the mortgages held by the loan companies totalling $167,000,000, compare with $174,000,000 in the previous year, and $183,000,000 in 1916, while in 1915 the total was even higher at $192,000,000. However, there was a material increase in securities held—indicating further investments in Government and other bonds, with the result that total assets showed comparatively little change as compared with a year ago, although there was some considerable decline from 1916.

The loan companies owe to the public $143,000,000, as compared with $146,000,000 a year ago, and $151,000,000 in 1916. They have assets of $253,000,000, compared with practically the same amount in 1917, and $256,000,000 in 1916. There is thus shown in security $1.76 for every dollar owing to the public, compared with $1.73 in 1917 and $1.69 in 1916.

The following is a summary of the important totals of the various loan companies:

	1916	1917	1918
ASSETS			
Mortgages	$183,716,241	$174,188,405	$167,172,566
Other Loans	17,274,360	16,301,282	15,858,287
Securities	21,954,065	26,872,294	35,026,068
Real estate & prem.	6,548,242	6,619,360	7,779,370
Cash	13,690,800	12,526,029	11,817,070
Total assets	255,935,172	253,051,622	252,971,138
LIABILITIES TO THE PUBLIC			
Deposits	$ 26,962,837	$ 27,876,569	$ 25,714,698
Debentures	110,283,244	115,499,191	114,254,620
Total	151,061,873	146,090,790	143,849,354
LIABILITIES TO SHAREHOLDERS			
Capital	$ 64,786,494	$ 64,979,292	$ 64,995,273
Reserve	34,908,268	34,743,469	37,184,669
Other liab.	6,995,485	7,658,793	8,134,679

While the loan companies, as the result of the conditions which have prevailed since the outbreak of the war, have not shown a continuation of that growth which marked their affairs in the days of Western Canada's rapid development, there has been a marked expansion in the affairs of the trust companies as indicated by the fact that investments now amount to $530,000,000, as compared with $491,000,000 a year ago, and $449,000,000 shown by the reports for 1916.

Explanation of Analysis

In order to make the presentation of the figures from the different earnings statements as uniform as possible, for the purposes of making comparisons, an effort has been made to establish a standard form, and in order to conform to it, it has been necessary, in some cases, to make changes in the classification of earnings from the company's own report. In the analyses which follow the plan has been in all cases to reach the actual earned profits by deducting from interest income on debentures and deposits expenses, commissions, fees, taxes, and other charges that should be deducted in order to reach the real profit. To this net sum is added the previous profit and loss surplus, and any extra income, to arrive at the amount available for distribution to the shareholders. When information has so enabled, the war taxes and patriotic contributions have been deducted from this amount for the reason that they are not permanent in character, and in the company's record should not be considered as a charge against normal earning power.

It might be further explained that the percentage of profit on "average capital" is reached by estimating average capital on the basis of dividends paid at the rate given. the ratio of profits to this amount can be readily reached. The "earnings rate" is on the amount of funds employed during the year, including the capital paid up, the reserve, and the surplus of profit and loss.

B.C. PERMANENT LOAN CO., VANCOUVER.

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$267,407	$232,947	$217,726	$204,957	$208,560
Interest	$119,752	$134,875	$122,556	$105,572	$ 97,404
Expenses	63,600	44,872	26,936	42,843	24,944
Taxes	.....	.....	10,698	10,813	10,529
	$183,352	$179,747	$160,190	$159,228	$132,877
Profits	$ 84,055	$ 53,200	$ 57,536	$ 45,729	$ 75,683
Balance forward	14,089	24,600	49,031	93,494	128,721
	$ 98,144	$ 77,800	$106,567	$139,223	$204,404
Distribution—					
Dividends	$ 73,743	$ 23,050	$	$	$ ......
Contingent	.....	5,000	10,000	10,000	.....
Furniture	799	719	573	500	500
Reserve	.....	.....	2,500	.....	100,000
Balance	24,601	49,031	93,494	-128,722	102,903
Patriotic	.....	.....	.....	.....	1,000
	$ 98,144	$ 77,800	$106,567	$139,222	$204,404

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	*Earn. Rate
1912	$ 748,519	$146,848	10	19.6	13.5
1913	867,534	132,644	10	15.1	9.7
1914	909,252	84,055	8	9.2	5.4
1915	921,986	53,200**	5	5.7	3.3
1916	921,986	57,536	..	6.2	3.6
1917	921,986	45,729	..	5.0	2.8
1918	921,986	75,683	..	8.2	4.4

*Per cent. capital reserve and balance at credit of profit and loss.

**The contingent fund at the end of December, includes a sum of $77,268 of accrued interest for which credit has not been taken in the profit and loss account.

BRANTFORD TRUST CO., BRANTFORD

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$ 22,922	$ 22,733	$ 22 894	$ 23,123	$ 21,548
Interest	$ 970	$ 1,085	$ 1,143	$ 6,093	$ .....
Taxes	734	759	757	759	759
Expenses	1,427	1,382	1,266	1,317	1,535
	$ 3,131	$ 3,226	$ 3,166	$ 3,169	$ 2,294
Net profits	$ 19,791	$ 19,507	$ 19,728	$ 19,954	$ 19,254
Balance forward	11,710	15,001	1,292	2,811	4,560
	$ 31,501	$ 34,508	$ 21,020	$ 22,765	$ 23,814
Distribution—					
Dividends	$ 16,500	$ 18,000	$ 18,000	$ 18,000	$ 18,000
Reserve	.....	15,000	.....	.....	5,000
War Tax	.....	216	208	204	198
Balance	15,001	1,292	2,811	4,561	615
	$ 31,501	$ 34,508	$ 21,020	$ 22,765	$ 23,814

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 300,000	$ 18,238	5	6.1	5.9
1913	300,000	17,910	5	6.0	5.8
1914	300,000	19,791	5½	6.6	6.3
1915	300,000	19,507	6	6.5	6.2
1916	300,000	19,728	6	6.6	6.2
1917	300,000	19,954	6	6.7	6.4
1918	300,000	19,254	6	6.4	6.0

BRITISH MORTGAGE LOAN CO., OF ONTARIO, STRATFORD

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$ 95,853	$109,454	$137,314	$144,352	$162,653
Interest —					
Debentures	$ 13,702	$ 20,174	$ 28,961	$ 37,922	$ 45,253
Deposits	21,307	23,280	28,507	29,792	27,104
Expenses	9,001	8,573	9,187	10,418	8,701
Com. on loans	1,255	1,282	824	70	.....
Solicitors' fees	49	.....	.....	.....	2,124
Taxes	707	1,567	2,462	2,876	4,478
Total charges	$ 46,021	$ 54,876	$ 69,941	$ 81,078	$ 87,660
Net profits	$ 49,832	$ 54,578	$ 67,373	$ 63,274	$ 74,993
Balance forward	15,343	7,971	3,558	7,000	3,475
Prems. on stock	.....	.....	.....	30,000	.....
	$ 65,175	$ 62,549	$ 70,931	$100,274	$ 78,468
Distribution—					
Dividends	$ 35,972	$ 35,994	$ 40,500	$ 46,509	$ 50,000
Patriotic	.....	2,500	1,125	20	539
Reserve	20,000	20,000	20,000	20,000	20,000
Improvements	1,232	496	2,306	270	631
Bal forward	7,971	3,558	7,001	3,475	7,298
	$ 65,175	$ 62,548	$ 70,932	$100,274	$ 78,468

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 448,430	$ 48,692	8	10.8	6.8
1913	449,450	50,277	8	11.1	6.9
1914	449,650	49,832	8	11.0	6.7
1915	450,000	54,578	8	12.1	7.2
1916	450,000	67,373	9	14.9	8.7
1917	500,000	63,274	10	13.7	8.0
1918	500,000	74,993	10	15.0	8.4

BROCKVILLE LOAN & SAVINGS CO., LTD., BROCKVILLE

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$ 45,837	$ 51,252	$	$	$ ......
Interest	10,961	11,890	.....	.....	.....
Expenses	6,075	6,592	.....	.....	.....
	$ 17,036	$ 18,482	$	$	$ ......
Profits	$ 28,801	$ 32,770	†$34,689	†$27,854	†$29,160
Distribution—					
Dividends	$ 15,069	$ 16,907	$ 17,489	$ 20,954	$ 21,160
Reserve	12,489	14,000	16,000	7,000	8,000
Contingent	.....	.....	1,200	.....	.....
Written off	1,242	438	.....	.....	.....
Commission	.....	1,125	.....	.....	.....
Patriotic	.....	300	.....	.....	.....
	$ 28,801	$ 32,770	$ 34,689	$ 27,954	$ 29,160

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	*Earn. Rate
1912	$ 227,682	$ 20,649	6	9.0	7.8
1913	286,292	24,289	6	10.4	9.0
1914	264,776	28,801	6	11.4	9.3
1915	289,405	32,770	6	11.6	9.3
1916	294,910	34,689	6	12.0	9.4
1917	301,810	27,954	7	9.3	7.1
1918	302,510	29,160	7	9.6	7.2

*Per cent. capital, reserve and profit at credit of profit and loss.

†After deducting cost of management, commissions, war tax, etc.

CANADA LANDED & NATIONAL INVESTMENT CO., TORONTO

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$443,907	$454,574	$436,868	$417,267	$415,795
Int. on Deb.	$182,072	$185,812	$191,653	$192,792	$195,258
Taxes	3,355	3,485	3,140	3,217	3,548
Management	50,528	49,083	48,184	46,693	47,729
Commissions	15,664	10,572	11,315	10,404	10,909
	$251,619	$248,952	$254,292	$253,106	$257,444
Net profits	$192,288	$205,622	$182,576	$164,161	$158,351
Bal. forward	8,007	1,845	12,595	39,392	89,151
	$200,295	$207,467	$195,171	$203,553	$247,502
Distribution—					
Dividends	$108,450	$108,450	$108,450	$108,450	$108,450
Patriotic	.....	1,800	1,500	1,500	1,000
Reserve	90,000	80,000	35,000	.....	.....
War Taxes	.....	4,622	10,827	4,450	5,063
Balance	1,845	12,595	39,393	89,152	132,988
	$200,295	$207,467	$195,171	$203,553	$247,502

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$1,205,000	$169,569	8	14.0	9.2
1913	1,205,000	190,302	9	15.7	8.9
1914	1,205,000	192,288	9	15.9	8.7
1915	1,205,000	205,622	9	17.0	8.9
1916	1,205,000	182,576	9	15.2	7.9
1917	1,205,000	164,161	9	13.7	6.7
1918	1,205,000	158,351	9	13.2	6.3

CANADA PERMANENT MORTGAGE CORPORATION, TORONTO.

Distribution of Earnings.

	1914	1915	1916	1917	1918
*Earnings	$ 876,765	$ 872,105	$ 866,126	$ 852,325	$ 824,532
Bal, for.	130,654	157,420	179,526	195,652	197,977
	$1,007,420	$1,029,525	$1,045,652	$1,047,977	$1,022,509
Distribution—					
Divs.	$ 600,000	$ 600,000	$ 600,000	$ 600,000	$ 600,000
Reserve	250,000	250,000	250,000	250,000	250,000
Car. for.	157,420	179,525	195,652	197,977	172,509
	$1,007,420	$1,029,525	$1,045,652	$1,047,977	$1,022,509

*After interest, taxes, and expenses and all charges and losses.

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$6,000,000	$826,799	9	13.7	8.5
1913	6,000,000	884,626	10	14.7	8.8
1914	6,000,000	876,765	10	14.6	8.4

Toronto Savings and Loan Company
PETERBOROUGH, CANADA

Directors: HERBERT C. COX, President
W. G. MORROW, } Vice Presidents.
RICHARD HALL, }
E. R. WOOD
D. W. DUMBLE
E. T. MALONE, K.C.

Paid up Capital - - - - -	$1,000,000.00
Reserve Fund - - - - - -	$1,100,000.00
Profit and Loss Account - - -	$ 34,604.12
Total Assets - - - - - -	$4,074,188.32

TRUSTEE
EXECUTOR
ADMINISTRATOR

REGISTRAR
TRANSFER AGENT

THE NOVA SCOTIA TRUST COMPANY
HALIFAX, N.S.

Capital and Surplus, $250,000
Communications Invited
R. W. ELLIOT, Managing Director

INVESTMENT DEPARTMENT
Government, Municipal
and Corporation Bonds

REAL ESTATE DEPARTMENT
Properties Managed
Agents for
Purchase, Sale and Rental

The Victoria Loan and Savings Company
INCORPORATED 1895

Paid-up Capital, $500,000.00; Reserve Fund, $250,000.00
Total Assets, $2,508,626.59

DEBENTURES ISSUED
DEPOSITS RECEIVED

LEGAL INVESTMENT
FOR TRUST FUNDS

WM. FLAVELLE,
President

C. E. WEEKS,
Manager

THE DOMINION SAVINGS AND INVESTMENT SOCIETY
London, Canada

Capital - - - - - -	$1,000,000.00
Reserve Fund - - - -	270,000.00
Total Assets, 31st Dec., 1918 -	2,346,415.11

The last Financial Statement showed a margin of over $1,000,000 as security for funds on deposit or on debenture.

T. H. Purdom, K.C., President.
Nathaniel Mills, Manager

Friendship is No Criterion

in the selection of an Executor. Quite the contrary. As a rule, the less personal interest an Executor has in an Estate, the better its affairs are administered. The selection of an Executor is a matter of business, not of friendship. Friendship should, therefore, give way to sound business judgment.

Appoint this Company your executor.

Montreal Trust Company

Sir Herbert S. Holt, President ∴ A. J. Brown, K.C., Vice-Pres.
F. G. Donaldson, : General Manager

MONTREAL TORONTO HALIFAX WINNIPEG VANCOUVER

ALGONQUIN PARK FISHING

To the excellence of the fishing to be enjoyed in Algonquin Park there is undisputed testimony. Fish caught in the waters of the Park have won each year many of the national competitions open to the anglers of the continent. "I record here my opinion," writes one authority, "that in the variety of species of game fish, in their abundance and in their remarkable size, no section of the continent affords better mid-summer sport than Algonquin Park. And this is the testimony from three extended trips in the Park." 200 miles north of Toronto, 178 miles west of Ottawa reached by Grand Trunk Railway. For free illustrated descriptive literature telling you all about it, apply to Grand Trunk Agent or C. E. Horning, D.P.A., Toronto, Ont.

Route Your Shipments CANADIAN NATIONAL

1915	6,000,000	872,105	10	14.5	8.2
1916	6,000,000	866,126	10	14.4	8.0
1917	6,000,000	852,325	10	14.2	7.6
1918	6,000,000	824,532	10	13.7	7.2

CANADA TRUST CO., LONDON, ONTARIO

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$101,068	$117,003	$121,692	$126,174	$125,319
Bal. forward	8,684	5,386	7,395	4,093	10,274
	$109,752	$122,389	$129,087	$130,267	$135,593
Distribution—					
Dividends	$ 59,698	$ 59,994	$ 59,994	$ 69,993	$ 79,992
Reserve	44,668	55,000	65,000	50,000	50,000
Balance	5,386	7,395	4,093	10,274	5,601
	$109,752	$122,389	$129,087	$130,267	$135,593

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 476,925	$ 41,276	5	8.6	6.4
1913	672,732	68,990	5	9.5	9.7
1914	1,000,000	101,068	6	10.1	10.0
1915	1,000,000	117,009	6	11.7	8.4
1916	1,000,000	121,692	6	12.1	8.6
1917	1,000,000	126,174	7	12.6	8.4
1918	1,000,000	125,319	8	12.5	8.0

CAPITAL TRUST CORPORATION, OTTAWA

Distribution of Earnings.

	1915	1916	1917	1918
Earnings	$2,499	$5,029	$15,333	$19,355
Balance forward	4,372	6,872	11,901	27,234
	$6,871	$11,901	$27,134	$46,589
Carried forward	$6,871	11,901	27,134	30,427
Dividends	....	.....	.....	16,162
	$6,871	$11,901	$27,134	$46,589

CENTRAL CANADA LOAN & SAVINGS CO., TORONTO.

Distribution of Earnings.

	1914	1915	1916	1917	1918
Bal. forward	$ 43,623	$ 84,190	$ 23,242	$ 57,053	$ 73,863
Net profits	215,567	214,052	221,511	201,761	203,035
	$259,190	$298,242	$244,753	$258,814	$276,898
Distribution—					
Dividends	$175 000	$175,000	$175,000	$175,000	$175,000
Reserve	.....	100,000	.....	.....	.....
Bal. forward	84,190	23,242	57,053	73,863	92,074
Patriotic	.....	.....	12,700	9,951	9,824
	$259,190	$298,242	$244,753	$258,814	$276,898

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$1,750,000	$282,504	10	16.1	8.5
1913	1,750,000	285,816	10	16.3	8.3
1914	1,750,000	215,567	10	12.3	6.0
1915	1,750,000	214,052	10	12.2	6.0
1916	1,750,000	221,511	10	12.7	6.3
1917	1,750,000	201,761	10	11.8	5.7
1918	1,750,000	203,035	10	11.9	5.6

CANADIAN GUARANTY TRUST COMPANY, BRANDON

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$ 26,820	$ 35,894	$ 32,900	$*14,509	$ 15,396
Balance forward	7,426	7,426	6,959	5,706	5,099
	$ 34,246	$ 43,356	$ 39,859	$ 20,215	$ 20,495
Expenses	16,351	21,615	19,279	....	....
Net profits	$ 17,895	$ 21,741	$ 20,580	$ 20,215	$ 20,495
Distribution—					
Dividends	....	9,390	9,441	9,683	9,867
Reserve	10,000	5,000	5,000	5,000	5,000
Furniture	433	392	433	433	499
Balance	7,462	6,959	5,706	5,099	5,129
	$ 17,895	$ 21,741	$ 20,580	$ 20,215	$ 20,495

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*After deductions of expenses, etc.

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1914	$ 190,667	$ 17,895	..	9.4	9.3
1915	191,242	21,741	5	11.4	10.4
1916	192,652	20,580	5	10.7	9.6
1917	194,119	20,215	5	10.4	9.6
1918	198,952	20,495	5	10.4	9.0

CROWN TRUST COMPANY, MONTREAL.

Distribution of Profits.

	1916	1917	1918.
Profits	$ 36,170	$ 35,269	$ 34,754
Balance forward	51,830	*45,079	50,348
	$ 88,000	$ 80,348	$ 85,102
Dividends	$ 30,000	$ 30,000	$ 30,000
Written off	3,250	....	......
Balance	54,750	50,348	55,102
	$ 88,000	$ 80,348	$ 85,102

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* After deduction of adjustments.

CANADIAN FINANCE AND SECURITIES COMPANY, WINNIPEG.

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$ 5,623	$ 4,681	$ 2,761	$ 2,431	$ 537
Expenses	2,457	2,447	2,239	1,785	.....
Profits	$ 3,166	$ 2,234	$ 522-	$ 646	$ 537
Bal. forward	1,481	462	961	1,483	2,129
	$ 4,647	$ 2,696	$ 1,483	$ 2,129	$ 2,666
Dividends	3,185	1,735	.....	.....	.....
Reserve	1,000	.....	.....	.....	.....
Balance	462	961	1,483	2,129	2,666

CANADIAN MORTGAGE INVESTMENT CO., TORONTO

Distribution of Earnings.

	1914	1915	1916	1917 *	1918
Earnings	$120,972	$121,896	$112,472	$111,959	$101,549
Bal. forward	19,165	13,830	13,230	8,035	5,000
	$140,137	$135,726	$125,702	$119,994	$106,549
Distribution—					
Dividends	$ 71,307	$ 72,496	$ 72,667	$ 73,093	$ 73,431
Reserve	40,000	50,000	45,000	40,000	.....
*Contingent	15,000	.....	.....	.....	.....
Bal. forward	13,830	13,230	8,035	5,001	33,118
Patriotic	.....	.....	.....	1,900	.....
	$140,137	$135,726	$125,702	$119,994	$106,549

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$1,200,000	$100,051	6	8.6	7.1
1913	1,200,484	110,549	6	9.5	7.6
1914	1,208,272	120,972	6	10.1	7.9
1915	1,211,116	121,896	6	10.1	7.7
1916	1,218,227	112,472	6	9.3	6.9
1917	1,223,850	111,959	6	9.2	6.7
1918	1,231,630	101,549	6	8.3	6.0

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*A contingent provision transferred a year later to reserve in addition to the sum of $50,000 from the year's earnings.

COLONIAL INVESTMENT AND LOAN CO., TORONTO

Distribution of Earnings.

	1914	1915	1916	1917	1918
Profit	$193,293	$196,923	$167,066	$155,879	$156,133
Bal. forward	38,905	52,703	53,966	51,464	59,646
	$232,199	$249,626	$221,032	$207,343	$215,779
Distribution—					
Dividends	$134,790	$122,022	$147,219	$147,296	$147,368
Written off real estate	13,973	32,599	11,869	.....	.....
Furniture	732	439	480	400	1,198
R. E. Res.	10,000	10,000	10,000	.....	40,000
Reserve	15,000	30,000	.....	.....	.....
Pension Fund	5,000	.....	.....	.....	.....
Balance	52,703	53,966	51,464	59,647	27,213
	$282,199	$249,626	$221,032	$207,343	$215,779

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1913	$2,448,440	$206,687	6	8.5	7.6
1914	2,451,803	193,293	5½	7.9	6.9
1915	2,452,868	196,923	5	8.0	7.9
1916	2,453.995	167,066	6	7.0	6.0
1917	2,455.375	155,879	6	6.3	5.4
1918	2,456,402	156,133	6	6.4	5.4

CROWN SAVINGS & LOAN CO., PETROLEA

Distribution of Earnings.

	1915	1916	1917	1918
Earnings	$ 29,917	$ 31,568	$ 35,324	$ 38,132
Interest—				
Debenture	7,690	8,027	9,284	10,112
Bank	1,413	1,645	2,416	3,184
Expense	2,859	3,236	3,653	3,832
Taxes, etc	501	690	753	1,007
	$ 12,463	$ 13,598	$ 16,106	$ 18,165
Net profits	$*17,454	$ 17,970	$ 19,218	$ 19,967
Prem. on stock	1,130	260	610	.....
Balance forward	5,649	6,556	7,006	7,406
	$ 24,233	$ 24,786	$ 26,834	$ 27,373
Distribution—				
Dividends	$ 14,177	$ 14,280	$ 14,444	$ 14,464
Reserve	3,500	3,500	4,000	5,000
Balance	6,556	7,006	7,406	7,409
Written off Prem.	.....	.....	983	500
	$ 24,233	$ 24,786	$ 26,834	$ 27,373

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1915	$ 236,700	$ 17,454	6	7.4	5.7
1916	238,000	17,970	6	7.8	5.8
1917	241,050	19,218	6	8.0	6.0
1918	241,050	19,967	6	8.3	6.0

DOMINION SAVINGS & INVESTMENT SOCIETY, LONDON

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$127,283	$115,619	$117,257	$116,954	$116,805
Deduct—					
Acc. stocks	$ 23	$ 24	$ 25	$ 26	$ 28
Savings	21,698	25,005	26,795	27,786	29,216
Curr. debs.	4,509	5,008	5,084	6,261	7,556
St. debentures	13,034	12,420	10,948	8,673	8,263
Expenses	13,721	12,529	11,735	12,743	12,435
Taxes	1,668	2,527	2,495	2,099	2,627
Com. account	866	725	1,047	1,175	650
Int. banks.	.....	.....	.....	.....	1,684
	$ 55,519	$ 58,238	$ 58,129	$ 58 853	$ 62,459
Profits	$ 71,764	$ 57,381	$ 59,128	$ 58,101	$ 54,346
From contingent	.....	.....	5,129	2,541	3,925
	$ 71,764	$ 57,381	$ 64,257	$ 60,642	$ 58,271
Distribution—					
Dividend	$ 46,715	$ 46,715	$ 46,715	$ 46,715	$ 46,715
Reserve	25,000	10,000	15,000	10,000	10,000
Contingent	48	665	2,541	3,926	1,556
	$ 71,764	$ 57,381	$ 64,257	$ 60,642	$ 58,271

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 934,300	$ 59,108	4½	6.3	5.9
1913	934,300	66,131	4½	7.1	5.0
1914	934,300	71,764	5	7.6	6.2
1915	934,300	57,381	5	6.1	4.9
1916	934,300	59,128	5	6.4	5.3
1917	934,300	58,101	5	6.2	4.9
1918	934,300	54,346	5	5.8	4.5

EASTERN TRUST COMPANY, HALIFAX

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$ 91,864	$ 98,585	$107,014	$121,129	$126,081
Directors' fees	7,000	7,500	7,687	7,562	7,750
Net profits	$ 84,864	$ 91,085	$ 99,327	$113,567	$118,331
Stock premium	8,797	22,147	.....	.....	.....
Balance forward	13,556	11,315	26,830	37,998	53,476
	$107,217	$124,547	$126,157	$151,565	$171,807
Distribution—					
Dividends	$ 60,982	$ 75,088	$ 79.832	$ 80,000	$ 80,000
Patriotic fund	1,100	1,300	5,000	4,200	4,450
Writ off	3,955	....	....	....	4,000
Furniture	1,566	629	631	11,075	5,889
Reserve	19,300	20,700	....	....	50,000
Taxes	....	.....	2,696	2,713	2,313
Balance	11,314	26,830	37,998	53,477	25,155
Good Rd. Assoc.	....	....	....	100	...
	$107,217	$124,547	$126,157	$151,565	$171,807

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 747,800	$ 56,981	7	9.4	8.0
1913	904,000	80,899	7	10.6	8.1
1914	931,000	84,864	8	9.1	8.0
1915	1,000,000	91,085	8	9.1	7.8
1916	1,000,000	99,327	8	9.9	8.0
1917	1,000,000	113,567	8	11.3	8.8
1918	1,000,000	118,331	8	11.8	9.0

EASTERN CANADA SAVINGS & LOAN CO., HALIFAX.

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$ 83,600	$ 89,271	$104,966	$120,148	$119,182
Int. on debs.	37,564	37,932	41,456	49,614	49,735
Int. on deposits	4,393	6,044	5,613	5,451	5,704
Management	11,130	10,128	11,475	11,781	12,408
Written off	1,513	1,627	2,074	2,094	1,043
Taxes	....	....	1,717	2,465	1,730
	$ 54,600	$ 55,731	$ 62,335	$ 71,405	$ 70,620
Net profits	$ 29,000	$ 33,540	$ 42,631	$ 48,743	$ 48,562
Prem. on stock	....	....	27,482	3,365	527
	$ 29,000	$ 33,540	$ 70,113	$ 52,108	$ 49,089
Distribution—					
Dividends	20,000	20,000	25,347	29,297	29,952
Patriotic	....	1,000	1,150	1,050	500
Reserve	9,000	11,000	39,999	15,000	14,000
War Tax	....	1,540	3,616	3,761	1,499
Contingent	....	....	....	3,000	....
xExplosion	....	....	....	....	3,137
	$ 29,000	$ 33,540	$ 70,113	$ 52,108	$ 49,089

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x Allowed for explosion repairs.

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 250,000	$ 26,500	7	10.6	7.4
1913	250,000	29,500	7	11.8	8.0
1914	250,000	29,000	8	11.6	7.6
1915	250,000	33,540	8	13.4	8.7
1916	359,450	42,631	8	12.2	10.6
1917	372,890	48,743	8	13.1	8.9
1918	375,000	48,562	8	12.9	8.3

EAST LAMBTON FARMERS' LOAN & SAVINGS CO., FOREST, ONT.

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$ 25,916	$ 27,435	$ 26,556	$ 28,814	$ 28,432
Interest—					
On deposits	$ 5,385	$ 5,231	$ 5,758	$ 5,731	$ 5,031
On debentures	3,999	3,292	3,037	4,417	4,168
General	110	147	....	....	....
Expenses	2,239	1,734	1,712	1,661	2,243
	$ 11,733	$ 10,404	$ 10,507	$ 11,809	$ 11,442
Net earnings	$ 14,183	$ 17031	$ 16,049	$ 17,005	$ 16,988
Prem. on stock	2,170	530	700	620	20
	$ 16,353	$ 17,561	$ 16,749	$ 17,625	$ 17,008
Distribution—					
Dividend	$ 12,053	$ 12,737	$ 12,916	$ 13,111	$ 13,212
Reserve	4,899	4,225	3,195	3,676	2,951

U.S. SUGAR INDUSTRY

Low Cost Production is by the Bigger Concerns

WASHINGTON—The Tariff Commission has issued a report on costs of production in the sugar industry which presents a detailed study both in prewar and war times of the cost of production in the cane sugar industry in Cuba, Hawaii, Louisiana, and Porto Rico, and in the beet sugar industry in the continental United States. It is shown that in all of these regions the costs per ton of sugar vary greatly among individaul producers and that therefore, as the price at which the sugar is sold is approximately uniform, some of the producers reap large profits while others barely make expenses or even manufacture at a loss. Omitting from discussion such obvious causes of these variations in cost as the difference in ability of managers and the vicissitudes of the seasons, two prominent and permanent causes are emphasized. First, sugar is essentially an agricultural product for which there is a strong and increasing demand and to meet this demand land of inferior productiveness must be cultivated. Second, there is shown to be a distinct and permanent economy in large-scale production. Admitting individual exceptions the big concerns are the low cost concerns and the small concerns are the high cost concerns.

WHEN THE END COMES

Most people would like to leave their affairs in good order when they die and would do so if they realized that it is when they enjoy good health and full mental power that provision should be made for that contingency.

That is why we urge each person to make their Will. For the position of Executor we advise you to appoint

CHARTERED TRUST AND EXECUTOR COMPANY

Hon. W. A. Charlton, President
John J. Gibson, Managing Director

SAFETY DEPOSIT BOXES TO RENT

THE ROYAL LOAN & SAVINGS CO.
BRANTFORD, ONTARIO

BOARD OF DIRECTORS
Christopher Cook - - - - - President
Chas. B. Heyd - - - - Vice-President
A. J. Wilkes, K.C. F. Grobb
A. K. Bunnell, F.C.A. Geo. Wedlake
W. G. Helliker, Manager

Authorized Capital $1,000,000.00
Reserve Fund 425,000.00
Total Assets 2,500,000.00

"The Department Store of Finance"

The modern Trust Company has recently been termed by a prominent financial writer "The Department Store of Finance."

When the wide scope of efficient service rendered by up-to-date Trust Companies is considered this definition will readily be understood.

Under the one roof of the new Toronto Office of the Canada Trust Company and The Huron & Erie Mortgage Corporation may be secured the advantages of the following financial services:—

Trust or Estates Department
Mortgage Loaning Department
Bond Department
Guaranteed Investment Department
Real Estate Department
Rental Department
Stock and Bond Transfer Department
Safety Deposit Boxes

In addition, the Savings Department, Debenture Department and Mortgage Loaning Departments of the Huron & Erie will be available to all customers.

The offices of both institutions will be located on the ground floor of the building now in process of renovation at 14-16 King Street East, Toronto, and will be ready for occupancy early in the Autumn.

These institutions—with Head Offices in London, Ontario—are the largest of their kind in Western Ontario.

The parent Corporation, The Huron & Erie, has over fifty-five years of experience—a Paid-up Capital and Reserve Fund of $5,800,000—and an ever-growing circle of friends.

The Canada Trust Company has over eighteen years of experience in the administration of Estates and the safe investment of Trust Funds. During the past few years its growth has been a gratifying evidence of the advantages of corporate administration of Estates.

When the doors of these new Branches are opened in Toronto we cordially invite your patronage.

THE CANADA TRUST COMPANY
THE HURON & ERIE MORTGAGE CORPORATION
Head Offices - London, Ontario

The new Toronto Branches, 14-16 King Street East, will be open for business early in the coming Autumn.

Other Branch Offices:
London, Ont. (two)
St. Thomas, Ont.
Windsor, Ont.
Winnipeg, Man.
Regina, Sask.
Edmonton, Alta.

T. G. MEREDITH, K.C.
President

HUME CRONYN
General Manager

Taxes	....	599	638	838	845
	$ 16,353	$ 17,561	$ 16,749	$ 17,625	$ 17,008

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1913	$ 200,000	$ 12,715	6	6.6	5.8
1914	209,825	14,183	6	7.0	6.1
1915	213,250	17,031	6	8.1	7.1
1916	217,000	16,049	6	7.6	6.2
1917	220,100	17,005	6	7.7	6.3
1918	220,200	16,988	6	7.7	6.1

FRONTENAC LOAN AND INVESTMENT SOCIETY KINGSTON, ONT

Distribution of Earnings.

$ 10,900	$ 11,500	$ 11,550	$ 12,432	$ 12,059

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1914	$ 200,000	$ 10,900	5	5.4	4.8
1915	200,000	11,500	5	5.8	5.0
1916	200,000	11,550	5	5.8	5.0
1917	200,000	12,432	5+½	6.2	5.4
1918	200,000	12,059	5+½	6.0	5.0

GREAT WEST PERMANENT LOAN COMPANY, WINNIPEG.

Earnings	$ 16,850	$ 17,349	$ 17,372	$ 17,763	$ 18,059
Interest—					
On debentures	200	140	120	....	....
On deposit	2,229	2,070	1,748	1,599	1,501
Expenses	3,521	3,639	3,954	3,732	4,499
	$ 5,950	$ 5,849	$ 5,822	$ 5,331	$ 6,000
Net profits	$ 10,900	$ 11,500	$ 11,550	$ 12,432	$ 12,059
Dividends	10,000	11,000	10,000	11,000	11,000
Balance	900	500	1,500	1,432	1,059

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$356,879	$307,689	$208,253	$206,388	$207,879
Interest—					
On instal. stock	515	379	....	....	....
On debentures	100,195	103,643	....	....	....
Bank interest and charges	11,903	.....	.....	.....	.....
	$112,613	$104,022	$208,253	$206,388	$207,879
	1914	1915	1916	1917	1918
Net profits	$244,266	$203,667*	$208,253*	$206,388	$207,879
Off bank stock	....	....	....	31,087	....
				$175,301	$207,879
Bal forward	....	....	....	15,744	....
				$191,045	$207,879
Distribution—					
Dividends	$213,677	$192,001	$192,509	$120,367	$.......
Reserve	26,091	7,061	....	70,678	207,879
Office furniture	4,498	4,605	....	....	....
	$244,266	$203,667	$ 15,744	$191,045	$207,879

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*After providing for expenses and taxes.

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$2,247,298	$225,849	9	11.0	8.6
1913	2,356,025	265,301	9	11.6	9.1
1914	2,400,484	244,266	9	10.1	7.9
1915	2,410,925	203,667	†8	8.4	6.6
1916	2,411,862	208,253	8	8.7	6.7
1917	2,412,566	206,388	5	8.5	6.6
1918	2,412,578	207,879	..	8.6	6.8

†For first half of year 9 per cent. was paid and 7 per cent. in the last half

GREY AND BRUCE LOAN CO., OWEN SOUND

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$ 42,899	$ 44,746	$ 44,530	$ 47,452	$ 51,505
Interest—					
Debentures	$ 7,255	$ 8,801	$ 6,050	$ 6,206	$ 6,448
Deposits	1,281	2,102	3,211	4,520	5,128
Taxes	1,596	1,739	1,676	1,709	1,837
Fees	333	312	339	471	457
Expenses	2,610	2,730	2,714	2,907	2,914
	$ 13,075	$ 14,964	$ 13,990	$ 15,813	$ 16,784
Net profits	$ 29,824	$ 29,782	$ 30,540	$ 31,639	$ 34,721
Prem. on stock	73	....	17	....	....
Balance forward	32	230	108	85	408
	$ 29,929	$ 30,012	$ 30,665	$ 31,724	$ 35,129
Distribution—					
Dividends	26,599	26,634	26,640	26,648	26,649
Patriotic	....	....	500	250	....
Reserve	3,100	3,000	3,000	4,000	8,000
War tax	....	271	439	418	448
Balance	230	107	86	408	31
	$ 29,929	$ 30,012	$ 30,665	$ 31,724	$ 35,129

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 440,880	$ 26,632	6	7.6	6.8
1913	442,730	28,008	6	6.7	6.0
1914	443,895	29,824	6	6.7	6.1
1915	443,895	29,782	6	6.7	5.8
1916	444,145	30,540	6	7.0	6.2
1917	444,145	31,639	6	7.2	6.4
1918	444,175	34,721	6	7.8	6.9

GUELPH AND ONTARIO INVESTMENT AND SAVINGS SOCIETY, GUELPH.

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$248,647	$264,183	$281,957	$285,768	$278,038
Interest—					
Dep. and debs	$102,839	$112,120	$115,234	$119,323	$115,959
Gen. int.	....	....	....	....	556
Commission	5,665	1,267	367	637	879
Taxes	2,827	3,210	2,969	3,022	3,207
Expenses	22,792	22,629	21,783	23,280	24,581
	$134,123	$139,226	$140,353	$146,262	$145,182
Profits	$114,524	$124,957	$141,604	$139,506	$132,856
Prem. on stock	7,177	3,861	2,040	2,312	....
Brought forward	13,647	17,169	26,671	38,116	41,008
	$135,348	$145,985	$170,315	$179,934	$173,864
Dividends	$ 60,500	$ 62,676	$ 69,223	$ 76,506	$ 83,099
Distribution—					
Reserve	57,177	53,861	52,040	52,312	50,000
Patriotic Fund	500	....	1,000	1,400	1,500
War tax	....	2,777	9,936	8,708	7,849
Forward	17,169	26,671	38,116	41,008	31,416
	$135,348	$145,987	$170,315	$179,934	$173,864

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 524,000	$104,629	10	19.9	11.3
1913	594,370	109,057	10	18.3	10.6
1914	608,310	114,524	10	18.4	9.9
1915	643,695	124,957	10	19.4	10.2
1916	711,983	141,604	10	20.0	10.9
1917	782,761	139,506	10	18.2	9.9
1918	847,847	132,856	10	16.0	8.5

HAMILTON PROVIDENT AND LOAN SOCIETY HAMILTON, ONT.

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$313,882	$319,248	$322,822	$313,843	$312,272
Interest	108,067	108,393	104,193	93,460	94,787
Expenses	33,076	33,855	29,690	33,919	38,017
Com on loans	3,195	3,912	3,906	2,904	3,911
Inspect'n of land	5,775	5,947	5,377	6,292	6,493
Government tax	2,927	3,095	3,081	3,026	3,166
	$153,040	$154,702	$146,247	$139,601	$146,374
Net earnings	$160,842	$164,546	$176,575	$174,242	$165,898
Distribution—					
Dividends	96,000	96,000	96,000	96,000	96,000
Reserve	59,000	60,000	75,000	70,000	64,846
Contingent	3,913	5,448	2,030	2,482	....
War tax	....	3,097	3,544	5,760	5,051
Improvements	1,930	....	....	....	....
	$160,843	$164,546	$176,575	$174,242	$165,898

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$1,160,000	$143,739	7	12.4	7.4
1913	1,200,000	148,042	7	12.6	7.4
1914	1,200,000	160,843	8	13.4	7.8
1915	1,200,000	164,546	8	13.7	7.6
1916	1,200,000	176,575	8	14.7	8.1
1917	1,200,000	174,242	8	14.5	7.9
1918	1,200,000	165,898	8	13.8	7.0

HOME INVESTMENT AND SAVINGS ASSOCIATION WINNIPEG, MAN.

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$179,747*	$127,843*	$115,153*	$113,809*	$106,523
Expenses	43,708	....	....	....	....
Taxes	1,352	1,293	1,249	1,130	1,115
	$ 45,060	$ 1,293	$ 1,249	$ 1,130	$ 1,115
Net profits	$134,687	$126,550	$113,904	$112,679	$105,408
Balance forward	3,973	15,295	23,785	21,636	42,200
Stock premiums	30,137	1,305	321	836	386
	$168,797	$143,150	$138,010	$135,151	$147,994
Distribution—					
Dividends	$ 83,067	$ 87,650	$ 88,476	$ 88,769	$ 79,183
Reserve	65,000	....	....	....	....
Agts. guar. fund	1,000	500	....	....	....
Office furniture	4,134	....	....	....	....
Patriotic Fund	300	1,200	1,198	....	....
War tax	....	2,292	1,700	4,182	3,830
Balance	15,295	26,508	21,636	42,200	64,980
Contingent	....	25,000	25,000	....	....
	$168,796	$143,150	$138,010	$135,151	$147,994

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*After deducting expenses, etc

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 856,511	$124,721	9	14.5	10.7
1913	862,490	134,598	9	15.6	10.8
1914	969,300	134,687	9	14.5	9.8
1915	981,726	126,551	9	13.0	8.5
1916	984,481	113,904	9	11.7	7.5
1917	989,131	112,679	9	11.4	7.5
1918	991,928	105,408	8	10.6	6.8

HURON AND ERIE MORTGAGE CORPORATION, LONDON, ONT.

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$409,844	$428,197	$440,310	$450,192	$474,069
Taxes	4,728	5,821	7,902	8,381	8,099
Profits	$405,116	$422,376	$432,408	$441,811	$465,970
Balance forward	70,796	22,345	40,662	85,519	86,670
	$475,912	$444,721	$473,070	$527,330	$552,640
Distribution—					
Dividends	$278,567	$292,297	$298,474	$300,000	$300,000
War tax	.....	10,883	10,396	11,235	13,477
Pension fund	10,000	10,000	10,000	10,000	10,000
Red Cross and Patriotic fund	5,000	1,500	2,750	9,425	5,825
Branch exten.	10,000	10,000	10,000	10,000	.....
Reserve	150,000	79,378	55,931	100,000	200,000
Balance	22,345	40,662	85,519	86,670	23,338
	$475,912	$444,720	$473,070	$527,330	$552,640

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$2,100,000	$332,220	11	16.3	7.8
1913	2,100,000	368,588	12	17.5	8.4
1914	2,406,201	405,116	12	17.4	8.6
1915	2,458,415	422,376	12	17.3	8.0
1916	2,500,000	432,408	12	17.3	8.1
1917	2,500,000	441,811	12	17.6	7.9
1918	2,500,000	465,970	12	18.6	8.2

INDUSTRIAL MORTGAGE AND SAVINGS COMPANY SARNIA, ONT.

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$111,804	$114,164	$124,677	$133,083	$138,311
Interest—					
Debenture	$ 21,368	$ 22,241	$ 24,317	$ 27,101	$ 29,793
Deposits	21,088	21,801	23,359	24,138	24,888
Expenses	8,797	9,717	8,279	9,460	10,261
Registration	155	155	155	155	155
Rent	245	....	....	....	....
Taxes	1,107	1,258	1,623	1,389	1,736
Com. on loans	534	274	780	535	1,027
	$ 53,294	$ 55,446	$ 58,513	$ 62,778	$ 67,860
Net profits	$ 58,519	$ 58,718	$ 66,164	$ 70,305	$ 70,451
Bal. forward	.....	.....	2,036	2,899	508
Prem. on stock	14,000	.....	950	16,550	.....
	$ 72,510	$ 58,718	$ 69,150	$ 89,754	$ 70,959
Distribution—					
Dividends	$ 41,288	$ 41,889	$ 45,074	$ 50,153	$ 50,706
Rest	31,222	14,011	20,000	37,000	18,000
War tax	....	782	1,177	1,256	1,243
Balance	....	2,036	2,899	508	510
Written off	....	....	....	836	500
	$ 72,510	$ 58,718	$ 69,150	$ 89,754	$ 70,959

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1913	$ 563,089	$ 53,687	7	9.5	6.9
1914	598,056	58,510	7	9.8	7.1
1915	599,122	58,718	7	10.5	6.6
1916	601,297	66,164	7½	11.0	7.3
1917	633,750	70,305	8	11.1	7.6
1918	633,850	70,451	8	11.1	7.1

INVESTORS' MORTGAGE SECURITY CO., SCOTLAND

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$639,180	$615,555	$682,015	$685,320	$645,185
Dir. fees	$ 27,520	$ 28,580	$ 28,595	$ 28,370	$ 27,780
Expenses	25,095	28,935	14,555	16,860	15,765
Interest	152,725	163,160	158,110	157,540	152,895
Income tax	....	....	85,605	138,695	174,700
	$205,340	$220,675	$285,865	$341,465	$371,140
Profits	$433,840	$394,870	$395,150	$343,855	$274,045
Balance forward	9,525	47,485	85,270	74,525	71,880
	$443,365	$442,355	$480,420	$418,380	$345,925
Dividends	352,135	318,375	295,865	277,500	268,180
Reserve	14,555	....	....	....	....
Contingent	29,190	38,710	110,030	69,000	4,110
Balance	47,485	85,270	74,525	71,880	73,635
	$443,365	$442,355	$480,420	$418,380	$345,925

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$3,750,000	$325,345	9½	8.8	8.2
1913	5,000,000	399,840	10½	8.0	8.1
1914	5,000,000	433,840	10½	8.6	6.6
1915	5,000,000	394,870	10½	7.8	5.9
1916	5,000,000	395,150	11	7.9	6.0
1917	5,000,000	343,855	11	6.8	5.2
1918	5,000,000	274,045	11	5.5	4.0

In the foregoing analysis the company's figures in sterling have been converted on the basis of $5 to the £.

LAMBTON LOAN AND INVESTMENT COMPANY, SARNIA, ONT.

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$154,932	$162,038	$180,222	$186,188	$181,904
Interest—					
Debentures	$ 18,986	$ 21,600	$ 22,390	$ 22,250	$ 21,300

Loan Companies have played a large part in the upbuilding of Canada.

They have done their share in helping to finance the burdens consequent upon the war now about to close.

They will be a larger factor than ever in the reconstruction period upon which we are entering.

Co-operation is the spirit of the age and we invite correspondence as to our system of business.

Paid up Capital and Surplus Funds, $3,333,925.30
Total Assets, $8,523,984.80

Standard Reliance Mortgage Corporation
10-12 KING STREET EAST -:- -:- TORONTO

Branch Offices:
Ayr Brookville Chatham Elmira New Hamburg Woodstock

The Real Estate Loan Company
of Canada, Limited

Established under Dominion Charter 1883

DIRECTORS:
M. H. Aikins, M.D., President
E. Douglas Armour, K.C., Vice-President
William A. Cooke
Edmund Wragge, M.I.C.E.
H. W. Mickle
E. L. Morton, Manager

Manitoba Agent: Alexander Bain, Winnipeg, Man.; Alberta Agents: Kirkpatrick & Scarth, Ltd., Edmonton, Alta.; British Columbia Agents: London and British North America Co., Ltd., Vancouver, B.C.

Financial Agents in Scotland: Martin Currie & Co., C.A., Edinburgh.
Bankers in Canada: Imperial Bank of Canada.
Bankers in Scotland: The National Bank of Scotland, Limited.

The debentures of this Company are issued on especially conservative basis, being limited by by-law to the amount of the fully paid capital and reserve of the Company. As this Company does not take deposits, its debentures are a first charge upon the whole assets of the Company.

Additional information may be obtained from the Head Office of the Company, 2 Toronto St., Toronto, or from the Financial Agents in Scotland.

Mercantile Trust Company of Canada
LIMITED

Head Office: 11 Main Street East, Hamilton, Ontario

Authorized Capital - - - - - $1,000,000
Paid-Up Capital - - - - - - 487,500

Chartered Executor, Trustee, Administrator, Etc.

President: CYRUS A. BIRGE *Vice-President:* Major HENRY L. ROBERTS
Chairman of Executive Committee—THOS. C. HASLETT, K.C.

Directors:
C. C. Dalton
A. E. Dyment
J. J. Greene
Sir John S. Hendrie, K.C.M.G.
J. F. Kavanagh
Col. John I. McLaren
Lt.-Col. W. H. Merritt
Gen. the Hon. S. C. Mewburn
Stanley Mills
James Turnbull
W. A. Wood
C. S. Wilcox

Manager—S. C. MACDONALD

The above representative directorate is an assurance that all matters of trust may be committed to the Company's care with confidence. Interviews or correspondence solicited. Booklets dealing with the care and management of Estates mailed on request. All business under direct supervision of the Executive Committee.

The London and Western Trusts Company

Limited

LONDON - ONTARIO

Capital Stock fully paid - -	**$500,000.00**
Reserve Fund - - -	**170,000.00**
Estates, Trusts and Agencies under Administration	**7,248,897.54**
Trusts Securing Bond Holders -	**698,000.00**

No deposits accepted.
No money borrowed on guaranteed investment receipts.
Never a dollar lost through any investment made during the twenty-two years of The London and Western Trust Company's operations.
This Company acts as Executor, Administrator, Trustee, Guardian, etc., serving especially Western Ontario.

BOARD OF DIRECTORS

President
GEORGE S. GIBBONS, London

Vice-Presidents
J. L. ENGLEHART, Toronto
M. MASURET, London

Directors
JOHN McCLARY, London
E. MEREDITH, K.C., London
G. B. HARRIS, London
A. M. SMART, London
HON. C. S HYMAN, London
GEORGE MAIR, Windsor
C. R. SOMERVILLE, London
COL. THOS. S. HOBBS, London
D. MILNE, Sarnia
JOHN PRINGLE, London
JOHN M. DILLON, London
ARTHUR T. LITTLE, London
GEO. C. GUNN, London
GEORGE M. REID, London
GORDON J. INGRAM, London
T. ARCHIBALD McMAHEN, London

Manager
JOHN S. MOORE

Auditors
F. G. JEWELL, C.A.
ANDREW DALE

ESTABLISHED 1870

The Southern Loan and Savings Company

ST. THOMAS, ONT.

DIRECTORS

GEORGE K. CROCKER, President.
R. KAINS, M.D., Vice-President.
J. A. BELL, C. E., 2nd Vice-President.
C. W. MARLATT, M.D.
W. L. WICKETT, B.A.
E. A. MILLER.
J. H. HOPKINS.

STATEMENT OF AFFAIRS.
At the close of business on the 31st December, 1918

Liabilities

To the Public:		
Deposits and Accrued Interest	$ 444,806.66	
Debentures and Accrued Interest	729,553.68	
	$1,174,360.34	
To the Shareholders:		
Capital	$ 900,000.00	
Reserve Fund	250,000.00	
Dividend No. 31	27,000.00	
Balance forward	19,725.85	
	$1,196,725.85	
		$2,371,086.19

Assets

Loans on Mortgages	$2,122,475.64
Loans on Debentures	4,370.70
Bonds and Debentures —	
Imperial War Loan	800.00
Dominion of Canada War Loan	115,353.84
Province of Ontario	10,075.20
Ontario Municipalities	37,970.70
Company's Building	20,000.00
Cash on hand and in banks	60,040.11
	$2.371.086.19

J. W. STEWART,
Manager.

SAVINGS DEPOSITS received and DEBENTURES issued at current rates of interest.
Executors and Trustees are authorized by law to transact business with this Company.
The Company's Loans are confined to the Province of Ontario.

THE

STERLING TRUSTS CORPORATION

HEAD OFFICE: TORONTO, CANADA
BRANCH: REGINA, SASK.

Capital Stock - -	**$1,000,000.00**
Capital Paid Up - -	**$480,440.67**
Reserve - -	**$100,000.00**
Estates and Trusts under administration	**$10,896,204.23**

Under its Dominion Act of Incorporation the Corporation is authorized to execute lawful trusts of every nature and, among other things, is empowered to undertake the following offices:

Executor, Administrator, Trustee, Guardian.

Receiver, Liquidator, Assignee, Curator.

Agent for any person or persons holding any of the foregoing offices.

Committee of Estates of Persons of Unsound Mind.

Trustee under Mortgages, Deeds of Trust, Marriage Settlements, etc.

Transfer Agents, Registrar and Trustee for the issue of Stock or Bonds of Financial and Industrial Companies.

Agents for the Purchase and Sale of Real Estate, Management of Properties, Collection of Rents, etc.

Management of Sinking Funds of Municipalities and Companies.

Agent for Companies and Individuals for the Investment of Funds and the Collection of Income.

SAFE INVESTMENT OF FUNDS

The Sterling Trusts Corporation issues Guaranteed Trust Certificates for any term from three to ten years. Interest 5½% per annum, payable half-yearly by Coupon. Authorized by law for the investment of trust funds by trustees and executors.

Correspondence Invited

OFFICERS

Vice-Presidents:
JOHN FIRSTBROOK
H. WADDINGTON
A. W. BRIGGS, K.C.

President:
W. H. WARDROPE, K.C.

Manager Western Branch, Regina:
LORNE JOHNSON

Managing Director:
CHAS. BAUCKHAM

Secretary:
L. H. COOMBES

DIRECTORS

W. A. BOYS, K.C., M.P. ....Barrie
GEO. H. BRADSHAW..Portland, Ore.
A. W. BRIGGS, K.C. ....Toronto
CHAS. BAUCKHAM..........Toronto
J. A. CROSS, K.C., M.P.P. .....Regina
J. C. ELLIOTT, M.P.P. ....Glencoe
JOHN FIRSTBROOK.........Toronto
GIDEON GRANT...........Toronto
F. B. HAYES...............Toronto
NICOL JEFFREY.............Guelph
F. C. L. JONES..............Toronto
J. E. MARTIN...........Minneapolis
E. D. McCALLUM..............Regina
J. W. SCOTT...............Listowel
W. J. SHEPPARD......Waubaushene
NORMAN SOMMERVILLE....Toronto
N. H. STEVENS...........Chatham
H. WADDINGTON...........Toronto
J. A. WALKER, K.C. ....Chatham
W. H. WARDROPE, K.C. ....Hamilton
A. J. WILLIAMS............Toronto

SAFETY DEPOSIT VAULTS

Deposits	33,112	32,969	40,354	43,598	39,938
Taxes	....	....	3,944	3,926	4,315
Expenses	11,684	13,568	12,958	13,130	13,017
Commissions	1,145	656	164	1,014	581
	$ 64,927	$ 68,794	$ 79,810	$ 83,918	$ 79,151
Profits	$ 90,005	$ 93,244	$100,412	$102,270	$102,753
Distribution—					
Reserve	$ 20,000	$ 25,000	$ 29,335	$ 35,000	$ 23,777
Dividends	63,180	63,180	71,077	63,180	78,975
Contingent	6,825	5,063	....	90	....
Premises	....	....	....	4,000	....
	$ 90,005	$ 93,244	$100,412	$102,270	$102,753

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 789,750	$ 89,460	9	11.8	6.4
1913	789,750	94,750	9	12.1	6.8
1914	789,750	90,004	8	11.4	6.4
1915	789,750	93,234	8	11.8	6.0
1916	789,750	100,412	8+1	12.7	6.9
1917	789,750	102,270	8	13.0	6.8
1918	789,750	102,753	8+2	13.0	6.7

LANDED, BANKING AND LOAN CO., HAMILTON.

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$223,178	$234,982	$246,108	$249,548	$240,171
Interest—					
Deposits	$ 31,514	$ 34,955	$ 40,144	$ 40,203	$ 35,589
Debentures	40,198	40,516	40,873	39,317	37,546
Taxes	2,524	2,590	2,709	2,855	2,951
Expenses	26,270	25,677	26,962	26,317	29,400
	$100,506	$103,738	$110,658	$108,692	$105,486
Profits	$122,672	$131,244	$135,450	$140,856	$134,685
Prem. on stock	9,775	2,304	2,006	....	....
Brought forward	1,959	827	3,163	6,348	7,232
	$134,406	$134,375	$140,619	$147,204	$141,917
Distribution—					
Dividends	$ 76,846	$ 78,643	$ 79,905	$ 80,000	$ 80,000
Off premises	533	....	....	....	....
Reserves	55,000	50,000	50,000	55,000	50,000
War tax	....	2,566	3,516	3,971	4,384
Patriotic funds	1,200	....	850	1,000	800
Forward	826	3,163	6,348	7,232	6,733
	$134,405	$134,372	$140,619	$147,204	$141,917

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 700,000	$100,588	7	14.3	8.5
1913	929,126	106,243	7½	12.6	7.8
1914	978,500	122,672	8	12.7	7.7
1915	987,970	131,244	8	13.3	7.9
1916	1,000,000	135,450	8	13.5	8.1
1917	1,000,000	140,856	8	14.0	8.2
1918	1,000,000	134,685	8	13.4	7.3

LONDON AND CANADIAN LOAN AND AGENCY CO., TORONTO.

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$366,102	$374,127	$359,080	$348,345	$341,499
Interest	$139,067	$138,722	$133,123	$129,339	$128,132
Management	19,629	19,349	20,491	20,386	22,315
Expenses	27,334	21,587	25,433	23,423	26,905
Taxes	1,826	*5,011	*17,799	*8,208	*8,663
Total charges	$187,856	$184,669	$196,846	$181,356	$186,015
Net profits	$178,245	$189,458	$162,234	$166,989	$155,484
Brought forward	17,828	35,376	23,734	8,018	21,997
	$196,073	$224,834	$185,968	$175,007	$177,481
Distribution—					
Dividends	$ 99,998	$100,000	$100,000	$100,000	$100,000
Rest	60,000	100,000	75,000	50,000	50,000
Patriotic grants	700	1,100	2,950	3,010	2,500
Balance	35,375	23,734	8,018	21,997	24,981
	$196,073	$224,834	$185,968	$175,007	$177,481

*This includes the Dominion War Tax.

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$1,000,000	$141,224	7	14.1	10.0
1913	1,243,760	168,164	7½	13.5	9.8
1914	1,250,000	178,245	8	15.0	10.4
1915	1,250,000	189,458	8	15.7	9.9
1916	1,250,000	162,234	8	13.5	8.2
1917	1,250,000	166,989	8	13.8	8.3
1918	1,250,000	155,484	8	12.4	7.3

THE LONDON LOAN AND SAVINGS COMPANY OF CANADA, LONDON, ONT.

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$184,984	$211,926	$192,227	$129,447	*$ 84,320
Interest—					
Deposits	$11,806	$ 13,311	$ 17,891	$ 20,113	$ ....
Debentures	46,124	54,349	67,205	45,014	....
Other	631	....	....	....	....
Commissions	5,464	1,936	1,463	1,124	....
Expense	16,379	20,334	18,496	18,629	....
Taxes	1,583	3,578	5,543	8,438	....
Bank charges	....	....	304	....	....
	$ 81,987	$ 93,508	$110,902	$ 93,318	$ 84,320
Profits	$102,997	$118,419	$ 81,325	$ 36,129	$ 84,320
Bal. forward	3,625	2,393	1,690	29,894	1,925
	$106,623	$120,810	$ 83,015	$ 66,023	$ 86,245
Dividends	$ 51,230	$ 52,250	$ 53,021	$ 53,198	$ 53,260
Stock bonus	10,000	12,500	....	....	....
Reserve	40,000	40,000	....	....	20,000
Bonus appr.	1,700	13,500	....	10,200	10,200
Patriotic Fund	1,300	600	100	700	400
Balance	2,393	1,690	29,894	1,925	2,385
	$106,623	$120,810	$ 83,015	$ 66,023	$ 86,245

*After deducting all expenses, etc.

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 740,866	$ 74,052	6	10.1	8.0
1913	839,227	97,552	6+2	12.4	9.6
1914	857,224	102,997	6+1	12.0	9.3
1915	882,889	118,417	6+1¼	13.5	10.0
1916	884,283	81,325	6	9.2	6.7
1917	887,398	36,129	6+1	4.1	2.9
1918	887,849	84,320	6+1	9.5	6.9

LONDON AND WESTERN TRUSTS CO., LONDON, ONT.

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$ 45,676	$ 53,486	$ 54,451	$ 52,551	$ 56,113
Balance	3,702	3,871	7,735	9,386	9,938
	$ 49,378	$ 57,357	$ 62,186	$ 61,937	$ 66,051
Distribution—					
Dividends	$ 30,507	$ 34,623	$ 35,000	$ 35,000	$ 35,000
Reserve	15,000	15,000	15,000	15,000	20,000
Balance	3,871	7,734	9,386	9,937	8,051
War Tax	....	....	2,800	2,000	3,000
	$ 49,378	$ 57,857	$ 62,186	$ 61,937	$ 66,051

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 350,000	$ 29,922	6	8.8	7.2
1913	400,000	37,368	6	9.5	8.6
1914	484,195	45,676	6½	9.7	9.4
1915	500,000	53,486	7	10.8	9.2
1916	500,000	54,451	7	10.9	8.6
1917	500,000	52,551	7	10.5	8.2
1918	500,000	56,113	7	11.2	8.5

MERCANTILE TRUST COMPANY OF CANADA, HAMILTON.

Distribution of Earnings.

	1914	1915	1916	1917	1918
*Profits	$ 38,713	$ 43,066	$ 43,790	$ 40,389	$ 45,634
Bal. forward	4,461	6,727	9,103	20,997	32,787
Prem. on stock	65	165	135	700	205
Contingent fund	5,000	.....	.....	.....	.....
	$ 48,239	$ 49,958	$ 53,028	$ 62,086	$ 78,626
Distribution—					
Dividends	$ 27,511	$ 27,783	$ 28,096	$ 28,599	$ 29,175
Reserve for dep	12,500	12,500	.....	.....	3,029
Premises	1,000	.....	3,800	.....	2,145
Furniture	436	406	.....	.....	.....
Reserve	65	165	135	700	28,730
Bal. forward	6,727	9,104	20,997	32,787	15,546
	$ 48,239	$ 49,958	$ 53,028	$ 62,086	$ 78,626

*After deduction of expenses, ordinary and special war taxes.

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1913	$ 452,100	$ 41,830	6	10.5	9.0
1914	461,000	38,713	6	8.3	7.2
1915	466,800	43,066	6	9.2	8.0
1916	469,500	43,790	6	9.4	8.1
1917	483,500	40,389	6	8.4	7.1
1918	487,600	45,634	6	9.3	7.7

MIDLAND LOAN AND SAVINGS CO., PORT HOPE.

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$ 88,066	$ 89,157	$ 88,410	$ 89,224	$ 89,280
Interest—					
Dep. and Deb.	$ 33,257	$ 34,345	$ 34,995	$ 36,036	$ 37,192
Expenses	9,381	8,653	8,747	8,704	8,295
Commissions 6.	1,184	570	341	431	353
Taxes	733	753	2,284	2,268	2,364
Office Bldg.	.....	.....	.....	235	.....
	$ 44,555	$ 44,321	$ 46,367	$ 49,674	$ 48,204
Profits	$ 43,511	$ 44,836	$ 42,043	$ 41,550	$ 41,076
Bal. forward	6,484	10,641	15,781	18,974	21,473
Surplus	$ 49,995	$ 55,477	$ 57,774	$ 60,524	$ 62,549
Distribution—					
Dividends	$ 28,800	$ 28,000	$ 28,000	$ 28,000	$ 28,000
War tax	....	944	....	....	....
Reserve	10,000	10,000	10,000	10,000	10,000
Bal. forward	10,641	15,731	18,974	21,474	23,749
Written off	53	....	....	....	....
Patriotic	500	....	....	250	....
	$49,995	$ 55,477	$ 57,774	$ 60,524	$ 62,549

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 360,000	$ 40,028	7½	11.1	7.1
1913	360,000	39,676	8	11.0	6.9
1914	360,000	43,511	8	12.0	7.2
1915	360,000	44,836	8	12.4	7.4
1916	360,000	42,043	8	11.6	6.8
1917	360,000	41,550	8	11.5	6.6
1918	360,000	41,076	8	11.4	6.3

MONTREAL LOAN AND MORTGAGE CO., MONTREAL.

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$109,746	$111,757	$115,065	$119,909	$121,410
Interest—					
Debenture	$ 4,482	$ 7,886	$ 8,067	$ 8,067	$ 8,067
Deposit	14,806	11,056	10,989	10,099	8,667
Expenses	12,519	12,385	12,507	12,755	12,931
Deductions	$ 31,807	$ 31,327	$ 31,563	$ 30,921	$ 29,665
Year's profits	$ 77,939	$ 80,430	$ 83,502	$ 88,988	$ 91,745
Bal. forward	19,057	35,997	55,277	76,506	44,530
Total surplus	$ 96,996	$116,427	$138,779	$165,494	$136,275
Distribution—					
Dividends	$ 60,000	$ 60,000	$ 60,000	$ 66,000	$ 66,000
Reserve	.....	.....	.....	50,000	.....
Patriotic Fund	1,000	.....	1,100	1,600	500
War tax	.....	1,149	1,173	1,240	1,251
Balance	35,996	55,278	76,506	44,531	64,494
Income tax	.....	.....	.....	2,123	4,029
	$ 96,996	$116,427	$138,779	$165,494	$136,275

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 600,000	$ 76,103	9	12.6	6.5
1913	600,000	77,425	10	12.9	6.2
1914	600,000	77,939	10	12.9	6.2
1915	600,000	80,430	10	13.4	6.4
1916	600,000	83,502	10	13.9	6.5
1917	600,000	88,988	10+1	14.8	6.7
1918	600,000	91,745	10+1	15.2	6.8

MORTGAGE CORPORATION OF NOVA SCOTIA, HALIFAX

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$ 52,310	$ 55,150	$ 57,211	$ 64,480	$ 67,285
Interest—					
Deben., etc.	$ 13,469	$ 13,288	$ 13,214	$ 13,997	$ 14,379
Deposits	1,060	1,523	1,871	1,578	1,219
Cap. calls	1,958	1,594	1,034	984	747
Expenses	8,070	8,421	8,781	14,628	9,547
Total charges	$ 24,557	$ 24,826	$ 24,900	$ 31,187	$ 25,892
Net profits	$ 27,753	$ 30,324	$ 32,311	$ 33,293	$ 41,393
Bal. forward	154	32	228	456	154
Prem. on stock	.....	.....	.....	.....	1,008
Total	$ 27,907	$ 30,356	$ 32,539	$ 33,749	$ 42,555
Distribution—					
Dividends	$ 16,871	$ 18,627	$ 20,383	$ 25,144	$ 27,743
Directors	500	500	700	700	700
Reserve	7,000	8,000	9,000	7,000	12,000
Contingent	400	.....	.....	.....	.....
Written off R.E.	3,014	2,000	2,000	.....	1,500
Furniture	88	.....	.....	.....	.....
Balance	32	229	456	155	262
Patriotic	.....	.....	.....	750	350
	$ 27,907	$ 30,356	$ 32,539	$ 33,749	$ 42,555

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn Rate
1912	$ 282,382	$ 21,050	6	9.5	7.7
1913	305,503	24,862	6	9.9	8.0
1914	331,130	27,753	6	9.8	8.0
1915	350,254	30,324	6	9.7	8.9
1916	384,310	32,311	6	9.8	8.6
1917	453,276	33,293	6	8.1	7.0
1918	499,146	41,393	6	8.9	7.3

NATIONAL TRUST COMPANY, TORONTO

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$237,869	$229,153	$236,254	$241,334	$252,784
Bal. forward	16,788	54,657	73,560	96,314	122,398
	$254,657	$283,810	$309,814	$337,648	$375,182
Distribution—					
Dividends	$150,000	$150,000	$150,000	$150,000	$150,000
Premises	50,000	50,000	50,000	50,000	50,000
Red Cross	.....	10,250	13,500	15,250	13,000
Reserve	.....	.....	.....	.....	150,000
Balance	54,657	73,560	96,314	122,398	12,182
	$254,657	$283,810	$309,814	$337,648	$375,182

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$1,500,000	$242,042	10	16.1	8.3
1913	1,500,000	252,022	10	16.8	8.7
1914	1,500,000	237,869	10	15.8	7.8
1915	1,500,000	229,153	10	15.3	7.5
1916	1,500,000	236,254	10	15.7	7.7
1917	1,500,000	241,334	10	16.0	8.0
1918	1,500,000	252,784	10	16.8	8.1

NORTHERN MORTGAGE COMPANY OF CANADA, WINNIPEG

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$109,419	$112,359	$113,057	$103,903	$114,860

Bal. forward	51,865	88,318	118,110	142,650	154,961
	$161,284	$201,677	$231,167	$246,553	$269,821
Distribution—					
Dividends	$ 72,966	$ 88,567	$ 88,517	$ 91,592	$ 93,088
Bal. forward	88,318	118,110	142,650	154,961	176,733
	$161,284	$201,677	$231,167	$246,553	$269,821

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$1,091,848	$ 74,587	5	6.3	6.2
1913	1,394,058	87,288	5	7.4	7.1
1914	1,617,392	109,419	5	7.5	7.1
1915	1,726,873	113,359	5	6.7	6.2
1916	1,814,322	113,057	5	6.5	6.2
1917	1,848,345	103,903	5	5.7	5.4
1918	1,881,675	114,860	5	6.1	5.7

NORTHERN TRUSTS COMPANY, WINNIPEG

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$166,092	$162,524	$154,113	$129,344	$127,697
Balance forward	290,887	337,071	123,022	106,611	115,955
	$456,979	$499,595	$277,135	$235,955	$243,652
Distribution—					
Dividends	$119,909	$120,000	$120 000	$120,000	120,000
Reserve	.....	250,000	50,000	.....	.....
Balance	337,070	129,595	107,135	115,955	123,652
	$456,979	$499,595	$277,135	$235,955	$243,652

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$1,452,980	$147,786	7	10.7	9.5
1913	1,498,510	168,406	7	11.4	9.9
1914	1,500,000	166,092	8	11.1	9.0
1915	1,500,000	162,524	8	10.8	8.0
1916	1,500,000	154,113	8	10.3	8.2
1917	1,500,000	129,344	8	8.6	6.8
1918	1,500,000	127,697	8	8.5	6.6

OKANAGAN LOAN & INVESTMENT CO., KELOWNA, B.C.

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$ 49,409	$ 35,100	$ 36,159	$ 46,414	$ 45,441
Interest on loans	5,824	6,816	5,104	3,792	3,913
Expenses	12,568	11,223	11,714	10,612	11,252
Taxes	513	572	747	874	1,498
Depreciation	176	72	85	113	115
	$ 19,081	$ 18,683	$ 17,650	$ 15,391	$ 16,778
Net Profits	$ 30,328	$ 16,417	$ 18,509	$ 31,023	$ 28,663
Prem. on shares	4,590	550	....	....	....
Balance forward	522	747	920	618	18
	$ 35,440	$ 17,714	$ 19,429	$ 31,641	$ 28.681
Distribution—					
Dividends	$ 24,692	$ 7,793	$ 7,811	$ 15,622	$ 15,622
Reserve	....	9,000	11,000	16,000	7,000
Balance	747	921	618	18	748
Written off	....	....	....	....	5,310
	$ 25,440	$ 17,714	$ 19,429	$ 31,641	$ 28,681

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1914	$ 384,840	$ 30,328	7	8.0	7.9
1915	390,560	16,417	2	4.2	3.8
1916	390,560	18,509	2	4.7	4.1
1917	390,560	31,023	4	7.9	6.7
1918	390,580	28,663	4	7.3	6.0

ONTARIO LOAN AND DEBENTURE CO., LONDON, ONT.

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$508,662	$516,127	$506,923	$489,048	$478,250
Interest—					
Sterling debs.	$ 90,812	$ 91,593	$ 85,748	$ 71,031	$ 64,519
Currency	54,354	55,356	54,920	54,032	53,098
Deposits	34,829	36,647	35,499	33,877	29,318
Taxes	6,636	7,438	8,216	8,151	7,671
Expenses (Debs.)	6,492	3,827	3,811	1,043	4,118
Commissions, etc.	22,376	17,786	18,082	17,674	13,764
Management	35,375	32,896	32,043	34,949	38,006
	$250,874	$245,543	$238,319	$220,757	$210,484
Net profits	$257,788	$270,583	$268,604	$268,291	$267,766
Bal. forward	45,859	43,147	50,012	53,593	50,703
	$303,647	$313,730	$318,616	$321,884	$318.469
Distribution—					
Dividends	$157,500	$157,500	$157,500	$157,500	$157,500
War tax	....	5,218	7,522	10,181	14,027
Reserve	100,000	100,000	100,000	100,000	100,000
Pat. fund	3,000	1,000	....	3,500	3,000
Balance	43,147	50,012	53,594	50,703	43,942
	$303,647	$313,730	$318,616	$321,884	$318,469

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$1,750,000	$238,543	8	13.6	7.6
1913	1,750,000	253,733	8½	14.5	7.8
1914	1,750,000	257,788	9	14.7	7.7
1915	1,750,000	270,583	9	15.4	7.8
1916	1,750,000	268,604	9	15.3	7.6
1917	1,750,000	268,291	9	15.3	7.3
1918	1,750,000	267,766	9	15.2	7.1

OWEN SOUND LOAN & SAVINGS CO., OWEN SOUND

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$ 12,388	$ 12,607	$ 13,118	$ 13,626	$ 13,687
Interest—					
On deposits	$ 2,942	$ 3,008	$ 3,226	$ 3,437	$ 3,057
Bank overdraft	111	23	....	....	....
Expenses	1,781	2,125	2,182	2,267	2,379
	$ 4,834	$ 5,156	$ 5,408	$ 5,704	$ 5,436
Net profits	$ 7,554	$ 7,451	$ 7,710	$ 7,922	$ 8,251
Dividends	7,259	7,441	7,613	7,769	7,850
Balance	295	10	97	152	401
	$ 7,554	$ 7,451	$ 7,710	$ 7,922	$ 8,251

PORT ARTHUR & FORT WILLIAM MORTGAGE CO., PORT ARTHUR, ONT.

Distribution of Profits.

	1914	1915	1916	1917	1918
Earnings	$ 24,284	$ 31,692	$ 29,390	$ 31,026	$ 28,487
Expenses	4,118	5,331	6,441	2,970	4,943
Interest	942	1,775	2,168	2,416	1,828
	$ 5,060	$ 7,106	$ 8,609	$ 5,386	$ 6,771
Profits	$ 19,224	$ 24,586	$ 20,781	$ 25,640	$ 21,716
Bal. forward	17,473	27,142	37,152	49,857	68,713
	$ 36,697	$ 51,728	$ 57,933	$ 75,497	$ 90,429
Dividends	14,441	18,512	13,772	14,532	14,672
Balance	22,256	33,216	44,160	60,965	50,757
Reserve	....	....	....	....	25,000
	$ 36,697	$ 51,728	$ 57,932	$ 75,497	$ 90,429

PEOPLE'S LOAN AND SAVINGS CO., LONDON, ONT.

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$ 53,244	$ 55,054	$ 57,084	$ 63,272	$ 64,155
Interest—					
Deposits	$ 6,255	$ 6,849	$ 7,380	$ 8,726	$ 9,606
Advances	28	....	....	....	....
Debentures	3,066	3,988	5,828	6,626	6,457
Taxes, gov. fees	1,985	2,672	2,548	3,424	3,600
Expenses	11,734	11,705	9,638	14,641	13,817
	$ 23,068	$ 25,214	$ 25,394	$ 33,417	$ 33,480
Net profits	$ 30,176	$ 29,840	$ 31,690	$ 29,855	$ 30,675
[illegible]rward	....	1,102	1,193	1,789	949
	$ 30,176	$ 30,942	$ 32,883	$ 31,644	$ 31,624
[illegible]tion—					
Dividends	$ 26,775	$ 27,549	$ 28,094	$ 28,695	$ 24,112
Reserve	2,000	2,000	3,000	2,000	5,000
Written off	299	200	....	....	363
Balance	1,102	1,192	1,789	949	2,149
	$ 30,176	$ 30,942	$ 32,883	$ 31,644	$ 31,624

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 418,300	$ 27,776	6	7.5	6.7
1913	438,238	28,218	6	6.5	6.0
1914	451,873	30,176	6	6.7	6.2
1915	463,621	29,840	6	6.5	5.9
1916	474,394	31,690	6	6.7	6.3
1917	480,877	29,855	6	6.2	5.7
1918	482,594	30,675	5	6.3	5.7

REAL ESTATE LOAN CO., TORONTO

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$101,717	$100,541	$100,113	$ 99,169	$ 84,743
Deductions—					
Interest	$ 30,156	$ 29,911	$ 30,259	$ 30,890	$ 30,766
Expenses	2,100	996	1,298	853	731
Management	10,493	10,751	10,631	10,724	10,786
Taxes	1,347	2,188	2,756	3,123	2,579
	$ 44,096	$ 43,846	$ 44,944	$ 45,590	$ 44,862
Net earnings	$ 57,621	$ 56,695	$ 55,169	$ 53,579	$ 39,881
Bal. forward	4,492	5,912	6,407	5,375	2,754
	$ 62,113	$ 62,607	$ 61,576	$ 58,954	$ 42,635
Less	1,200	1,200	1,200	1,200	1,200
	$ 60,913	$ 61,407	$ 60,376	$ 57,754	$ 41,435
Distribution—					
Dividends	$ 35,000	$ 35,000	$ 35,000	$ 35,000	$ 35,000
Reserve	20,000	20,000	20,000	20,000	....
Balance	5,912	6,407	5,376	2,754	6,435
	$ 60,913	$ 61,407	$ 60,376	$ 57,754	$ 41,435

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 500,000	$ 51,726	6½	10.4	8.0
1913	500,000	57,258	7	11.4	8.6
1914	500,000	57,621	7	11.5	8.5
1915	500,000	56,695	7	11.3	8.1
1916	500,000	55,169	7	11.0	7.7
1917	500,000	53,579	7	10.7	7.2
1918	500,000	39,881	7	8.0	5.2

ROYAL LOAN AND SAVINGS CO., BRANTFORD

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$139,733	$141,646	$146,196	$161,727	$168,143
Interest	$ 62,334	$ 62,411	$ 63,485	$ 64,538	$ 63,944
Expenses	19,585	18,745	18,753	21,702	22,528
	$ 81,919	$ 81,156	$ 82,238	$ 86,240	$ 85,472
Year's profits	$ 57,813	$ 60,490	$ 63,957	$ 75,487	$ 82,671
Bal. forward	834	961	917	3,184	5,744
Premiums	1,065	285	4,140	....	....
Total surplus	$ 59,712	$ 61,737	$ 69,014	$ 78,671	$ 88,415
Distribution—					
Dividends	$ 43,750	$ 46,853	$ 47,438	$ 48,000	$ 48,000
War tax	....	1,415	1,641	1,677	6,000
Reserve	15,000	10,000	15,000	15,000	20,000
Red Cross	....	2,550	1,750	3,250	3,750
Bal. forward	961	917	3,185	5,744	10,665
Written off	....	....	....	5,000	....
Total	$ 59,712	$ 61,737	$ 69,014	$ 78,671	$ 88,415

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 580,600	$ 61,707	7	10.6	7.1
1913	581,700	66,241	7	11.4	7.4
1914	585,250	57,814	7½	9.9	6.1
1915	586,200	60,490	8	10.3	6.3
1916	600,000	63,957	8	10.7	6.7
1917	600,000	75,487	8	12.5	7.6
1918	600,000	82,671	8	13.7	8.1

THE STANDARD TRUSTS COMPANY, WINNIPEG

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$118,155	$ 98,265	$ 87,919	$ 94,171	$ 93,785
Bal. forward	3,027	3,682	4,448	20,487	27,158
Prem. on stock	....	....	....	....	62,500
	$121,182	$101,947	$ 92,367	$114,658	$183,443
Less war tax	....	....	4,380	....	....
	$121,182	$101,947	$ 87,987	$114,658	$183,442
Distribution—					
Dividends	$ 67,500	$ 67,500	$ 67,500	$ 67,500	$ 77,803
Reserve	25,000	30,000	....	20,000	100,000
Contingencies	25,000	....	....	....	....
Balance	3,682	4,448	20,487	27,158	5,640
	$121,182	$101,947	$ 87,987	$114,658	$183,443

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 500,000	$104,982	8⅓	20.9	14.9
1913	750,000	135,348	9	20.0	14.3
1914	750,000	118,155	9	15.7	10.2
1915	750,000	98,265	9	13.2	8.1
1916	750,000	87,919	9	11.7	7.1
1917	750,000	94,171	9	12.5	7.7
1918	1,000,000	93,785	9	10.9	6.8

STERLING TRUSTS CORPORATION, TORONTO

Distribution of Earnings.

	1916	1917	1918
Net earnings	$ 16,007	$ 20,198	$ 24,004
Balance forward	7,793	3,800	8,998
	$ 23,800	$ 23,998	$ 33,002
Reserves	$ 20,000	$ 15,000	$ 25,000
Balance	3,800	8,998	8,002
	$ 23 800	$ 23,998	$ 33,002

SASKATCHEWAN MORTGAGE AND TRUST CORPORATION, REGINA

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$ 62,295	$ 65,616	$ 60,284	$ 64,639	$ 70,421
Expenses	14,350	14,543	17,251	15,447	16,008
Interest	14,490	8,425	5,856	4,507	3,282
	$ 28,840	$ 22,968	$ 23,107	$ 19,954	$ 19,290
Net profits	$ 33,455	$ 42,648	$ 37,177	$ 44,685	$ 51,131
Bal forward	1,830	1,257	4,205	4,862	10,247
Total	$ 35,285	$ 43,905	$ 41,382	$ 49,547	$ 61,378
Distribution—					
Dividends	$ 24,605	$ 33,699	$ 36,520	$ 39,300	$ 41,905
Real estate	3,422	....	....	....	....
Reserves	6,000	6,000	....	....	10,000
Balance	1,257	4,205	4,862	10,247	9,473
Total	$ 35,285	$ 43,905	$ 41,382	$ 49,547	$ 61,378

Rate of Earnings.

Year	†Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 492,807	$ 17,685	7	13.5	9.6
1913	621,456	23,230	7	11.2	8.7
1914	710,947	33,455	7	9.5	7.0
1915	733,600	42,648	*7	8.2	7.6
1916	759,686	37,177	6	6.2	5.7
1917	777,206	44,685	6	6.8	5.3
1918	791,043	51,131	6	7.3	6.4

†Paid-up capital and accumulations.

*The rate was reduced to 6% during the last 6 months.

SECOND INVESTORS' MORTGAGE SECURITY COMPANY, SCOTLAND

Distribution of Earnings.

	1915	1916	1917	1918
Earnings	$ 91,710	$107,170	$111,520	$112,075
Directors' fees	8,360	8,260	8,350	8,425
Expenses	7,585	5,125	4,085	3,785

Prices of High Grade *Government and Municipal Bonds* are steadily advancing due to the limited supply and the insistent demand for securities of this type.

Those having funds for investment are advised to take advantage of present opportunities to obtain long term bonds at present attractive yields.

We recommend the following:

$100,000. United Kingdom of Great Britain and Ireland 5½% 1937
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For the investors desiring shorter maturities and higher yield.

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TORONTO -:- CANADA

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Established 1871
Cor. King and Hughson Streets, Hamilton, Ontario
George Hope, *President*
Joseph J. Greene, *Vice-President*

Directors:
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Stanley Mills Lieut.-Col. Wm. Hendrie

CAPITAL SUBSCRIBED - - - - - - $2,000,000.00
CAPITAL PAID UP - - - - - - - - 1,200,000.00
RESERVE AND UNDIVIDED PROFITS - - 1,228,840.35
TOTAL ASSETS - - - - - - - - - 4,579,472.98

DEBENTURES issued in sums of $100—and upwards, for one to five years, at highest current rates.

SAVINGS DEPARTMENT—Deposits received and interest allowed on DAILY BALANCES. Withdrawable by cheque.

TRUSTEES AND EXECUTORS are authorized by law to invest Trust Funds in the Debentures and Savings Department of this Society.

MONEY TO LOAN on productive property.

D. M. CAMERON, Treasurer

THE LONDON & CANADIAN
LOAN & AGENCY CO., (Limited)
Head Office: - - - - - - No. 51 Yonge Street, Toronto

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On Security of Real Estate, Bonds and Stocks
Low Interest Moderate Charges

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W. WEDD, JR. **V. B. WADSWORTH**
Secretary **Manager**

Guelph and Ontario Investment and Savings Society

Incorporated A.D. 1876

Authorized Capital $1,000,000.00

DIRECTORS:

A. B. PETRIE, President; H. HOWITT, M.D., 1st Vice-President; GEORGE D. FORBES, 2nd Vice-President; Charles E. Howitt, J. E. McElderry, William E. Phin.

DEBENTURES ISSUED in sums of $100.00 and upwards bearing interest at five per cent. per annum, payable half-yearly.

DEPOSITS of $1.00 and upwards received and interest paid or compounded half-yearly.

LOANS MADE ON MORTGAGES of improved real estate at current interest rates and on favorable terms.

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GUELPH, ONTARIO

J. E. McELDERRY, MANAGING DIRECTOR

The
Guelph Trust Company

Managed in connection with the Guelph and Ontario Investment and Savings Society

Authorized Capital $1,000,000.00

DIRECTORS:

CHARLES E. HOWITT, President; GEORGE D. FORBES, Vice-President; H. Howitt, M.D., A. B. Petrie, J. E. McElderry, William E. Phin.

The Company acts as Executor, Administrator, Trustee, Assignee, Guardian, Receiver, etc.

Estates and Property Managed, Rents, Interest and other revenue collected, Investments made.

Consultation and correspondence invited.

Office: Corner Wyndham and Cork Streets
GUELPH, ONTARIO

J. E. McELDERRY, MANAGING DIRECTOR

The Ontario Loan & Debenture Co.

(Incorporated 1870)

LONDON - ONTARIO

Capital (Paid up) **$1,750,000**

Reserve Fund and Undivided Profits $2,093,042

JOHN McCLARY, - *President*
A. M. SMART, - *Manager*

DEPOSITS received

DEBENTURES issued

MORTGAGE LOANS

Loans on Canadian Real Estate (Improved Farm and City Property) at Lowest Rates

THE NATIONAL CITY COMPANY
NATIONAL CITY BANK BUILDING
NEW YORK

We Own and Offer:

$25,000
Riordon Pulp & Paper Co.
6% First Mortgage
Due 30th June 1942
Price to Yield about 6¼%.

$25,000
Fraser Companies, Limited
6% First Mortgage Gold Bonds
$15,000 Due 1st April 1923
$10,000 Due 1st April 1924
Price to Yield about 6.40%.

$20,000
Province of British Columbia
5½% Gold Bonds
Due 5th March 1939
Price to Yield about 5.35%.

$100,000
United Kingdom of Great Britain and Ireland
5½% Bonds
Due 1st February 1937
Price to Yield about 5¼%.

$50,000
Dominion of Canada
5½% Victory Loan
Due 1st November 1933
Price to Yield about 5.05%.

$50,000
Dominion of Canada
5% War Loan
Due 1st December 1925
Price to Yield about 5.20%.

(For Canadian Investors who have funds in the United States we recommend purchase of:

Anglo-French
5% Bonds
Due 15th October 1920
Price to Yield about 7%.

Our Offices are equipped to render unusual service to investors generally and to bond buyers in particular.

The
NATIONAL CITY COMPANY
Limited

Canadian Headquarters
74 Notre Dame St. West,
MONTREAL

Toronto Office
10 King St. East
TORONTO.

29

Income tax		14,345	28,380	38,410
	$ 15,945	$ 27,730	$ 40,815	$ 48,620
Net profits	$ 75,765	$ 79,440	$ 70,705	$ 63 355
Balance forward		6,495	11,255	16,056
	$ 75,765	$ 85,935	$ 81,960	$ 79,510
Dividends	69,270	65,470	62,645	61,110
Reserve		9,210	3,260	200
Balance	6,495	11,255	16,055	18,200
	$ 75,765	$ 85,935	$ 81,960	$ 79,510

In the foregoing analysis, the company's figures in sterling have been converted on the basis of $5 to the £.

SECURITY LOAN AND SAVINGS COMPANY, ST. GATHARINES, ONT.

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$ 39,468	$ 42,608	$ 48,065	$ 46,285	$ 48,166
Balance forward	895	1,582	2,412	1,514	4,506
	$ 40,363	$ 44,190	$ 50,477	$ 47,799	$ 52,672
Distribution—					
Dividends	$ 23,782	$ 27,448	$ 30,521	$ 31,394	$ 31,452
War taxes		430	692	898	694
Pat. funds		900	750	1,000	450
Reserve	15,000	13,000	17,000	10,000	15,000
Bal. forward	1,581	2,412	1,514	4,506	5,075
	$ 40,363	$ 44,190	$ 50,477	$ 47,799	$ 52,672

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 400,000	$ 28,956	5	7.8	6.8
1913	450,250	34,811	5	8.2	7.1
1914	496,575	39,468	5	8.3	7.2
1915	500,000	42,608	6	8.5	7.5
1916	521,000	48,065	6	9.2	8.0
1917	524,200	46,285	6	8.9	7.2
1918	524,200	48,166	6	9.1	7.4

SOUTHERN LOAN AND SAVINGS CO., ST. THOMAS

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$132,522	$135,407	$141,414	$146,804	$147,293
Expense—					
Interest	$ 44,668	$ 45,969	$ 49,360	$ 52,767	$ 52,021
Expenses	9,722	9,932	9,902	11,114	10,979
Directors	564	612	572	736	580
Taxes	121	129	138	....	142
License	1,284	1,284	1,520	1,704	1,570
Commissions	2,988	1,539	2,249	2,409	2,267
Loss	....	....	124	....	....
	$ 59,350	$ 59,467	$ 63,865	$ 68,730	$ 67,559
Net earnings	$ 73,202	$ 75,940	$ 77,549	$ 78,074	$ 79,734
Bal. forward	3,215	4,955	9,134	12,012	15,957
For distribution	$ 76,417	$ 80,895	$ 86,683	$ 90,086	$ 79,734
Dividends	$ 54,462	$ 54,490	$ 54,537	$ 54,000	$ 54,000
Off buildings	1,000	1,000	2,000	2,000	....
Pat. fund	1,000	....	500	500	500
To reserve	15,000	15,000	15,000	15,000	20,000
War tax	....	1,270	1,383	1,494	1,465
Balance	4,955	9,134	12,012	15,958	19,726
Safe and vault	....	....	1,250	....	....
Stock reduc.	....	....	....	1,134	....
	$ 76,417	$ 80,895	$ 86,683	$ 90,086	$ 95,691

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 907,150	$ 67,960	6	7.5	6.4
1913	907,500	69,994	6	7.7	6.5
1914	907,950	73,202	6	8.0	6.6
1915	908,950	75,940	6	8.3	6.7
1916	908,950	77,549	6	8.6	7.0
1917	900,000	78,074	6	8.7	6.9
1918	900,000	79,734	6	8.8	7.0

STANDARD RELIANCE MORTGAGE CORPORATION, TORONTO

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	†$335,032	†$382,752	$386,377	$434,316	$423,559
Interest	150,468	155,140	170,744	213,934	245,301
Taxes	....	....	10,109	9,291	10,596
	$150,468	$155,140	$180,853	$223,225	$255,897
Profits	$184,564	$227,612	$205,524	$211,091	$167,662
Bal. forward	39,751	5,337	13,726	4,743	32,693
	$224,315	$232,949	$219,250	$215,834	$200,355
Distribution—					
Dividends	$188,978	$179,223	$179,506	$179,890	$184,009
Reserve	....	40,000	35,000	....	....
Contingent	30,000	....	....	....	....
Balance	5,337	13,726	4,744	32,694	12,990
Patriotic	....	....	....	3,250	3,355
	$224,315	$232,949	$219,250	$215,834	$200,355

†After deduction of management expenses and making provision for all known losses.

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1915	$2,568,867	$227,612	7	8.8	7.2
1916	2,582,140	205,524	7	8.0	6.6
1917	2,604,684	211,091	7	8.1	6.6
1918	2,610,934	167,662	7	6.4	5.2

Note.—In the above tabulation under head of distribution of earnings the figures under the head of 1914 are the combined loss and gain of the Standard and Sun and Hastings, which makes it unpracticable to determine the rate of earnings.

THE TRUST & LOAN COMPANY OF CANADA

Distribution of Earnings.

	1914	1915	1916	1917	1918
Income	$1,416,520	$1,402,834	$1,432,095	$1,406,640	$1,387,285
Earnings.	620,235	607,297	625,020	621 470	634,460
Distribution—					
Stat. res.	$ 220,118	$ 213,648	$ 222,510	$ 220,735	$ 147,080
Off deb. st'k	96,198	52,562	....	....	....
Spec'l res.	12,376	8,875	5,375	3,625	....
Inc'me tax	15,040	67,129	90,670	87,190	75,770
Excess int.	....	9	....	....	....
Dividend	270,000	270,000	277,500	150,000	150,000
Contingents	....	....	....	....	25,000
Deduct	$ 613,732	$ 612,233	$ 596,055	$ 461,550	$ 397,850
Balance	$ 6,503	$* 4,926	$ 28,965	$ 159,920	$ 236,610
Previous	140,948	147,451	142,525	170,240	180,160
Total	$ 147,451	$ 142,525	$ 171,490	$ 330,160	$ 416,770

*Deficit.

Rate of Earnings.

Year	Paid-up Capital	Earnings	Div.
1913	$3,000,000	$620,259	9
1914	3,000,000	620,235	9
1915	3,000,000	607,297	8
1916	3,000,000	625,020	10
1917	3,000,000	621,470	10
1918	3,000,000	634,460	12½

In the foregoing analysis the company's figures in sterling have been converted on the basis of $5 to the £. The year is taken to cover the annual periods ending with September.

TORONTO GENERAL TRUSTS CORPORATION, TORONTO

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$584,508	$608,886	$619,339	$621,447	$654,130
Expenses	260,127	263,430	297,956	320,561	332,161
Net	$324,381	$345,456	$321,383	$300,886	$321,969
Bal. forward	42,232	86,487	†77,674	98,557	101,443
Total	$366,613	$431,943	$399,657	$399,443	$423,412
Distribution—					
Dividends	$150,000	$150,000	$150,000	$150,000	$165,000
Subscrip., War	11,000	1,500	13,500	12,000	13,000
Off property	5,256	30,631	25,000	25,000	30,600
Staff bonus	13,870	....	....	....	....
Reserve	100,000	150,000	100,000	100,000	50,000
Balance	86,4487	98,812	98,557	101,443	152,812
War tax	....	....	12,000	11,000	12,000
	$366,613	$431,943	$399,057	$399,443	$423,412

†Less war tax, 1915.

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$1,250,000	$233,916	10	18.7	13.2
1913	1,500,000	299,016	10	19.9	12.2
1914	1,500,000	324,381	10	21.6	10.6
1915	1,500,000	345,456	10	23.0	10.8
1916	1,500,000	321,383	10	21.4	9.7
1917	1,500,000	300,886	10	20.0	8.8
1918	1,500,000	321,969	10+1	21.4	9.0

TORONTO MORTGAGE CO., TORONTO

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$205,756	$209,596	$211,594	$203,835	$206,155
Interest—					
Sterling debts	$ 68,149	$ 71,576	$ 70,165	$ 67,484	$ 69,917
Currency debs.	13,981	13,561	13,811	12,309	12,341
Deposits	4,281	3,190	3,856	3,747	3,539
Charges on money	5,629	3,372	3,007	4,197	5,704
Management	21,779	22,294	21,738	21,072	19,890
	$113,819	$113,993	$112,577	$108,809	$111,391
Net earnings	$ 91,937	$ 95,603	$ 99,017	$ 95,029	$ 94,764
Balance forward	25,287	22,760	27,835	35,010	37,871
	$117,224	$118,363	$126,852	$130,039	$132,635
Distribution—					
Dividends	$ 57,964	$ 57,964	$ 57,964	$ 57,964	$ 57,964
Red Cross	1,500	2,565	*3,877	*4,204	*5,222
Reserve	35,000	30,000	30,000	30,000	30,000
Balance	22,760	27,834	35,011	37,871	39,449
	$117,224	$118,363	$126,852	$130,039	$132,635

*Includes war taxes.

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 724,550	$ 77,516	7	10.7	6.7
1913	724,550	86,841	8	12.0	7.3
1914	724,550	91,937	8	12.6	7.5
1915	724,550	95,603	8	13.2	7.6
1916	724,550	99,017	8	13.7	8.0
1917	724,550	95,029	8	13.2	7.3
1918	724,550	94,764	8	13.1	7.0

TORONTO SAVINGS AND LOAN CO., PETERBORO, ONT.

Distribution of Earnings.

	1914	1915	1916	1917	1918
Profit	$135,658	$141,668	$148,485	$150,554	$147,903
Balance forward	60,334	95,992	87,662	36,147	36,701
	$195,993	$237,661	$236,147	$186,701	$184,604
Distribution—					
Dividends	$100,000	$100,000	$100,100	$100,000	$100,000
Reserve	....	50,000	100,000	50,000	50,000
Balance forward	95,923	87,661	36,147	36,701	34,604
	$195,993	$237,661	$236,147	$186,701	$184.604

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$1,000,000	$146,811	10	14.6	8.1
1913	1,000,000	157,102	10	15.7	8.4
1914	1,000,000	135,658	10	13.5	7.0
1915	1,000,000	141,668	10	14.2	7.3
1916	1,000,000	148,485	10	14.8	7.5
1917	1,000,000	150,554	10	15.0	7.4
1918	1,000,000	147,903	10	14.7	7.1

TRUSTS AND GUARANTEE CO., TORONTO

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$106,077	$102,261	$105,146	$107,966	$107,543
Balance forward	348,695	373,289	303,642	416,370	441,142
	$454,772	$475,550	$408,788	$524,336	$548,685
Distribution—					
Dividends	$ 81,483	$ 81,908	$ 82,418	$ 83,194	$ 83,441
Balance forward	373,289	393,642	416,370	441,141	465,244
	$454,772	$475,550	$498,788	$524,336	$548,685

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$1,344,901	$117,906	6	8.8	7.3
1913	1,350,547	125,082	6	9.3	7.6
1914	1,361,616	106,077	6	7.8	6.2
1915	1,369,314	102,261	6	7.5	5.0
1916	1,380,655	105,146	6	7.8	5.9
1917	1,388,364	107,966	6	7.8	6.0
1918	1,391,928	107,543	6	7.7	5.9

UNION TRUST COMPANY, TORONTO

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$162,075	$154,524	$127,445	$ 94,187	$100,538
Balance forward	39,737	26,812	41,336	36,531	15,702
	$201,812	$181,336	$168,781	$130,718	$116,240
Distribution—					
Dividend	$100,000	$100,000	$100,000	$ 85,000	$ 70,000
Reserve	....	....	....	27,766	....
Depreciation	75,000	40,000	30,000	....	....
Bal. forward	26,812	41,336	36,531	2,250	44,065
Patriotic	....	....	2,250	15,702	2,175
	$201,812	$181,336	$168,781	$130,718	$116,240

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$1,000,000	$206,401	10	20.6	11.6
1913	1,000,000	209,794	10	20.1	10.6
1914	1,000,000	162,075	10	16.2	8.2
1915	1,000,000	154,524	10	15.5	7.8
1916	1,000,000	127,445	10	12.7	6.5
1917	1,000,000	94,187	9	9.4	5.0
1918	1,000,000	100,538	7	10.0	6.1

VICTORIA LOAN AND SAVINGS CO., LINDSAY

Distribution of Earnings.

	1914	1915	1916	1917	1918
*Year's earnings	$ 46,674	$ 46,700	$ 50,234	$ 54,553	$ 58,774
Balance forward	2,753	2,188	3,837	4,071	5,263
Premiums	762	....	....	14,243	15,757
Deductions	$ 50,189	$ 48,888	$ 54,071	$ 72,867	$ 79,794
Distribution—					
Dividends	$ 27,882	$ 30,000	$ 30,000	$ 32,604	$ 34,685
Reserve	20,000	15,000	20,000	35,000	35,000
Written off	119	51	....	....	....
Balance	2,188	3,837	4,071	5,263	10,109
Deductions	$ 50,189	$ 48,888	$ 54,071	$ 72,867	$ 79,794

*After deduction of both special war and ordinary taxes.

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1912	$ 325,473	$ 33,017	7	10.1	8.7
1913	396,953	43,939	7	11.0	10.5
1914	400,000	46,674	7	11.6	8.8
1915	400,000	46,700	7½	11.6	8.5
1916	400,000	50,234	7½	12.5	9.0
1917	447,475	54,553	7½	12.4	9.4
1918	500,000	58,774	7½	11.9	8.8

THE WATERLOO COUNTY LOAN & SAVINGS COMPANY, WATERLOO, ONT.

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$ 35,285	$ 49,997	$ 66,376	$ 85,498	$102,846
Interest—					
On deposits	$ 6,915	$ 10,659	$ 15,077	$ 21,555	$ 24,737
On debentures	874	3,136	6,259	12,344	16,708
Com. on loans	2,126	1,085	1,460	1,389	1,463
Expenses	7,856	9,794	11,819	15,355	16,285
Interest on loans	....	....	....	....	2,595
	$ 17,781	$ 24,674	$ 34,615	$ 50,643	$ 61,788
Net earnings	$ 17,504	$ 25,323	$ 31,761	$ 34,855	$ 41,058
Premiums on stock	6,905	2,060	4,305	646	4,367
Balance forward	2,501	2,250	2,457	1,878	1,226
	$ 26,910	$ 29,633	$ 38,523	$ 37,379	$ 46,651

Continued on page 32.

ASSETS OF CANADA'S CHIEF LOAN AND MORTGAGE COMPANIES

COMPANY—	—Mortgages— 1916	1917	1918	—Other Loans— 1916	1917	1918	—Securities— 1916	1917	1918	—Real Estate and Premises— 1916	1917	1918	—Cash— 1916	1917	1918	—Total Assets— 1916	1917	1918
British Mort. Loan	$ 1,920,250	$ 1,796,099	$ 1,671,833	$.......	$.......	$.......	$ 342,687	$ 737,268	$ 890,783	$ 20,000	$ 20,000	$ 20,000	$ 53,608	68,639	$ 97,475	$ 2,336,545	$ 2,622,006	$ 2,680,091
B.C. Perm. Loan	2,506,751	2,209,826	1,866,167	39,125	36,137	10,242	....	....	....	777,156	836,056	792,601	78,219	88,128	62,087	3,598,424	3,465,698	3,069,205
Can. Mortgage Invest.	....	....	....	1,698,991	1,616,698	1,565,171	367,328	429,757	486,252	296,898	289,163	288,726	30,199	31,678	60,263	2,402,864	2,383,635	2,406,613
Canada Landed	....	....	....	5,435,754	5,123,625	4,822,675	569,332	753,103	973,568	35,000	35,000	35,000	473,089	472,109	519,508	6,613,320	6,470,343	6,422,606
Can. Perm. Loan	27,859,082	26,742,535	26,318,587	546,053	527,087	502,866	1,615,901	1,687,494	2,045,344	751,743	792,705	939,441	1,492,003	1,807,840	1,655,148	32,264,782	31,557,661	31,461,387
Central Canada	1,551,961	1,513,513	1,348,944	1,939,648	1,706,953	1,625,926	5,182,531	5,158,029	5,523,382	179,455	179,455	179,432	619,229	579,350	426,344	9,472,824	9,137,300	9,104,030
Colonial Invest. & Loan	1,852,592	1,587,132	1,175,511	193,620	225,895	190,550	613,972	806,828	1,491,417	441,417	510,123	523,402	194,101	158,704	104,338	3,572,985	3,519,623	4,016,405
Dominion Perm. Loan	4,310,506	....	....	....	....	....	....	....	....	50,776	....	....	107,566	....	....	4,476,386	....	....
Dom. Savings & Invest.	2,251,836	2,297,941	2,327,066	....	....	....	....	....	....	....	....	....	31,269	36,862	19,349	2,283,105	2,334,803	2,346,415
Eastern Canada Savings	1,503,127	1,614,824	1,637,642	12,200	9,180	17,048	....	....	....	60,000	60,000	60,200	10,460	45,986	8,955	2,000,837	2,112,551	2,104,345
Great-West Perm. Loan	3,889,021	4,244,589	4,247,882	177,800	186,271	115,999	163,759	165,508	457,319	939,109	497,259	492,112	299,769	301,983	147,226	5,531,998	5,456,560	5,507,435
Guelph & Ont. Invest.	3,594,932	3,747,032	3,817,811	....	31,734	25,978	....	....	....	60,058	61,527	76,694	294,059	248,624	224,281	4,142,716	4,353,512	4,409,255
Hamilton Prov. & Loan	4,117,749	3,918,487	3,978,849	12,795	10,446	7,939	231,475	275,362	278,919	93,000	93,000	93,000	207,862	400,462	507,623	4,662,882	4,697,757	4,579,472
Home Invest. & Sav.	....	....	....	2,033,471	1,820,446	1,758,869	9,392	8,640	7,852	137,362	213,199	226,644	46,903	66,916	4,569	2,373,100	2,304,771	2,172,434
Huron & Erie Loan	11,341,924	10,584,773	10,409,670	....	....	....	5,388,150	5,866,673	6,219,356	109,831	211,914	249,903	931,284	983,357	1,328,820	17,771,189	17,646,717	18,207,750
Lambton Loan & Invest.	3,093,560	3,094,482	2,962,806	....	....	....	....	....	....	19,000	15,000	15,000	137,893	173,305	124,053	3,250,453	3,282,787	3,101,859
Landed Bank & Loan	3,238,217	3,103,866	2,909,424	97,382	52,960	49,326	198,172	304,408	391,876	65,000	65,000	65,000	162,842	268,237	112,146	3,761,614	3,794,472	3,527,773
London Loan & Savings	2,695,038	2,723,339	2,476,715	....	....	....	....	....	186,596	63,496	63,000	63,000	345,700	181,262	205,153	3,104,234	2,968,987	2,932,698
London & Can. Loan	4,463,644	4,285,997	4,272,143	80,659	17,511	8,795	311,927	329,017	443,119	....	....	....	112,723	223,419	131,902	4,968,953	4,855,944	4,855,958
Midland Loan & Sav.	1,108,769	1,017,010	935,222	27,574	26,338	20,932	282,738	375,189	423,391	13,996	5,000	5,000	71,096	135,266	152,292	1,504,173	1,558,876	1,536,909
Montreal Loan & Mort.	1,595,006	1,569,248	1,508,147	69,500	107,049	107,101	34,388	34,387	79,419	11,900	200	3,200	3,585	14,153	18,557	1,704,379	1,725,038	1,716,424
Mort. Corp. of N.S.	791,689	857,855	873,317	....	....	....	....	10,166	21,142	8,102	8,855	7,712	654	1,689	18,954	1,266,136	1,282,391	1,280,754
Northern Mort. Co.	2,819,891	2,816,692	2,819,034	....	....	....	....	....	....	108,366	128,357	174,544	25,944	30,315	41,226	2,954,201	2,975,365	3,036,176
Oxford Perm. Loan	753,370	707,215	....	32,401	27,841	....	160,026	216,502	....	6,569	6,569	....	56,959	93,181	....	1,009,325	1,051,308	....
Ontario Loan & Deben.	6,319,567	5,684,229	5,207,977	26,508	141,222	106,871	772,929	998,327	1,423,794	151,841	163,382	163,721	405,310	349,410	231,427	7,676,155	7,336,565	7,132,790
People's Loan & Sav.	692,409	731,569	696,661	....	....	....	38,793	41,184	64,858	54,227	57,592	70,813	22,636	32,378	35,946	865,924	922,008	924,519
Real Estate Loan	1,251,338	1,206,757	1,132,566	905	4,689	2,621	54,191	95,176	108,848	56,788	89,445	123,788	39,239	29,809	33,570	1,402,461	1,425,877	1,401,392
Royal Loan & Savings	1,684,430	1,622,798	1,585,025	78,148	39,840	35,548	625,749	758,929	716,176	55,000	50,000	50,000	59,686	91,079	109,366	2,503,264	2,562,732	2,496,115
Saskatchewan Mortgage	703,078	709,739	693,295	....	....	....	....	500	10,000	53,725	52,939	52,816	47,516	44,083	63,642	884,108	1,218,662	1,355,563
Southern Loan & Sav.	2,222,368	2,175,238	2,122,476	2,803	3,954	4,370	115,265	157,376	164,199	22,000	20,000	20,000	10,203	49,764	60,040	2,372,639	2,406,333	2,371,086
Standard Reliance Mort.	5,969,896	6,651,502	7,028,708	48,261	43,105	44,423	629,142	964,626	716,039	521,419	550,015	541,068	200,306	185,056	159,064	7,389,750	8,436,555	8,523,984
Toronto Mortgage	2,256,074	2,172,333	2,041,945	155,620	145,682	136,492	666,102	657,367	831,122	45,000	45,000	45,000	121,800	121,019	117,152	3,244,596	3,141,401	3,171,712
Toronto Sav. & Loan	*3,783,311	3,909,235	3,995,879	....	....	....	....	....	....	....	....	....	121,563	130,501	75,331	3,907,080	4,044,438	4,074,188
Waterloo County Loan	545,282	591,646	589,994	11,758	15,070	19,855	415,797	673,134	1,015,489	30,274	47,499	50,972	73,567	80,781	169,728	1,076,678	1,408,131	1,846,040
Victoria Loan & Sav.	1,671,074	2,042,023	2,298,231	....	....	....	....	....	....	7,000	7,000	6,300	94,263	155,764	185,220	1,780,487	2,212,952	2,508,626
E. Lambton Farm. Loan	272,219	260,070	211,517	9,838	9,637	9,637	200,348	240,243	220,556	3,000	3,000	3,000	10,079	792	15,412	521,054	540,742	494,123
Security Loan	....	....	....	945,732	961,917	944,494	28,619	28,231	26,775	19,256	21,056	21,056	67,631	43,595	31,692	1,092,740	1,116,386	1,103,934
Crown Savings & Loan	552,675	607,675	651,294	....	....	....	....	....	....	12,156	12,000	11,500	2,246	20,567	17,351	578,984	640,241	680,145
Okanagan Loan	....	8,600	12,850	523,123	507,372	500,426	....	....	10,000	21,742	23,964	32,196	29,300	38,685	12,799	588,929	597,634	588,944
Brockville Loan	706,492	728,983	711,512	1,581	....	....	....	....	....	1,287	1,243	1,000	9,119	6,102	23,369	718,478	736,328	735,881
Investors' Mort. Sec.	9,615,755	8,860,615	8,622,960	....	....	....	....	....	1,458,480	....	....	....	122,900	318,335	157,360	10,908,870	10,709,035	10,571,655
Second Investor's Mort.	....	....	....	....	....	....	....	....	504,095	....	....		9,145	12,700	8,560	1,841,945	1,870,220	1,892,145
Frontenac Loan	....	197,302	173,199	244,905	37,863	40,285	45,815	48,829	61,863	5,470	15,276	13,019	6,394	7,434	9,934	302,584	306,704	298,306
Owen Sound Loan	166,432	157,033	154,077	....	....	....	11,892	16,519	17,105	19,927	20,170	20,234	2,731	14,817	719	220,604	225,906	217,728
Can. Finance & Secs.	....	....	....	....	....	....	....	....	....	16,386	22,889	28,392	2,149	93	60	51,277	51,662	52,049
Grey & Bruce Loan	632,565	618,203	595,851	....	....	....	....	....	....	24,582	24,582	28,482	21,735	1,344	637	720,458	781,719	785,490
International Loan	....	....	....	....	....	....	....	....	....	....	....	....	2,873	1,919	2,800	205,788	239,435	288,079
Industrial Mortgage	....	....	....	2,144,037	2,196,894	2,344,767	....	....	....	19,193	19,193	19,193	68,031	146,564	73,137	2,236,301	2,367,652	2,441,597
Pt. Arthur & Ft W'm Mort.	679,282	730,336	722,551	....	....	....	....	....	....	....	....	16,946	34,107	1,518	3,648	715,876	733,835	762,047
Credit Foncier	40,636,119	39,068,093	37,103,063	684,168	667,866	839,081	2,877,645	5,033,522	7,748,934	610,000	610,000	1,390,367	4,181,525	3,825,125	3,584,156	54,839,503	55,346,240	55,896,156
Trust & Loan	15,106,990	14,021,973	13,264,165	....	....	....	....	....	....	549,735	671,733	754,896	2,142,710	405,330	664,645	20,241,215	20,114,125	19,880,850
	$183,716,241	$174,188,405	$167,172,566	$17,274,360	$16,301,282	$15,858,287	$21,954,065	$26,872,294	$35,026,068	$ 6,548,242	$ 6,619,360	$ 7,779,370	$13,690,800	$12,526,029	$11,817,070	$255,935,172	$253,051,622	$252,971,138
Can. Standard Loan	$.......	$.......	$ 87,930	$.......	$.......	$.......	$.......	$.......	300	$.......	$.......	$ 20,529	$.......	$.......	$ 2,186	$.......	$.......	$ 121,460
Empire Loan	....	....	803,073	....	....	....	....	....	3,605	....	....	63,275	....	....	7,338	....	....	892,700
N.S. Savings & Bldg.	....	....	....	....	....	1,682,511	....	....	....	....	....	8,000	....	....	45,469	....	....	1,736,255
Sask. Loan & Invest.	....	....	329,612	....	....	....	....	....	....	....	....	22,298	....	....	....	....	....	363,047

*Net value of investments.

LIABILITIES OF LOAN COMPANIES

COMPANY	TO THE PUBLIC —Savings Deposits— 1916	1917	1918	—Debentures— 1916	1917	1918	—**Total— 1916	1917	1918	TO SHAREHOLDERS —Capital— 1916	1917	1918	—Reserve— 1916	1917	1918	—Other— 1916	1917	1918
British Mort. Loan	$ 810,900	$ 847,818	$ 760,633	$ 708,394	$ 856,703	$ 977,160	$ 1,519,294	$ 1,704,521	$ 1,737,793	$ 450,000	$ 500,000	$ 500,000	$ 340,000	$ 390,000	$ 410,000	$ 27,250	$ 27,484	$ 32,298
B. C. Perm. Loan	....	....	....	1,094,331	1,329,965	1,121,348	1,752,265	1,619,495	1,332,300	923,290	923,290	923,290	658,854	658,854	600,000	264,014	264,059	213,614
Can. Mort. Invest.	....	....	....	683,564	621,688	606,966	690,268	628,237	615,147	1,218,227	1,223,850	1,231,631	450,000	450,000	450,000	44,369	81,548	109,834
Canada Landed	....	....	....	4,096,530	3,903,586	3,816,095	4,135,057	3,942,549	3,850,548	1,205,000	1,205,000	1,205,000	1,205,000	1,205,000	1,205,000	68,263	117,792	161,959
Canada Permanent	6,059,273	6,197,544	5,461,936	14,845,811	13,749,027	14,164,351	20,919,130	19,959,684	19,638,877	6,000,000	6,000,000	6,000,000	5,000,000	5,250,000	5,500,000	345,652	347,977	322,510
Central Canada	1,776,783	1,729,986	1,351,693	4,095,239	3,789,701	3,616,514	5,872,021	5,519,687	5,468,206	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	100,803	117,613	135,824
Col. Invest & Loan	....	....	....	624,549	558,865	544,888	627,844	564,938	1,052,744	2,453,996	2,455,375	2,456,402	360,000	360,000	400,000	131,145	139,310	107,258
Dominion Perm. Loan	224,074	....	....	2,399,248	....	....	2,624,135	....	....	1,205,904	....	....	508,000	....	....	138,347	....	....
Dom. Savings & Invest.	758,411	761,378	758,413	313,973	351,294	334,240	1,072,384	1,112,672	1,116,624	934,300	934,300	934,300	250,000	260,000	270,000	26,420	27,831	25,490
Eastern Canada Savings	156,108	159,929	186,851	899,584	988,060	943,480	1,055,692	1,147,989	1,130,331	750,000	750,000	750,000	190,000	205,000	220,500	5,145	9,562	3,514
Great-West Perm. Loan	805,550	683,658	691,574	1,512,721	1,537,850	1,425,301	4,156,719	3,936,281	3,701,366	2,411,863	2,412,566	2,412,578	685,902	606,580	664,459	114,431	213,108	308,289
Guelph & Ont. Invest.	558,760	581,836	569,252	2,050,048	2,114,664	1,981,417	2,669,992	2,751,326	2,698,254	711,983	782,702	847,848	687,122	739,435	789,435	73,619	80,049	73,718
Ham. Prov. & Loan	895,309	976,755	850,113	1,417,591	1,299,835	1,241,209	2,323,817	2,285,763	2,102,632	1,200,000	1,200,000	1,200,000	1,060,000	1,130,000	1,200,000	79,063	81,994	76,840
Home Invest. & Sav.	407,178	461,916	318,539	375,790	234,594	217,840	794,839	701,190	545,680	984,482	989,131	991,928	500,000	500,000	500,000	93,779	114,449	134,826
Huron & Erie Loan	2,820,433	3,025,525	3,104,973	9,171,235	8,736,142	9,074,857	12,090,672	11,865,047	12,299,412	2,500,000	2,500,000	2,500,000	3,000,000	3,100,000	3,300,000	180,517	181,669	108,337
Lambton Loan & Inv.	1,173,960	1,201,229	1,007,964	535,352	513,224	485,989	1,709,312	1,714,453	1,493,953	789,750	789,750	789,750	700,000	735,000	760,000	51,391	43,584	58,156
Landed Bank & Loan	1,100,797	1,090,694	875,885	827,863	815,923	715,085	1,940,268	1,917,240	1,601,040	1,000,000	1,000,000	1,000,000	775,000	830,000	880,000	46,346	47,232	46,732
London Loan & Savings	584,488	609,653	671,825	1,246,172	1,100,144	980,677	1,832,844	1,722,889	1,664,350	884,284	887,399	887,849	340,000	340,000	360,000	47,107	18,698	20,492
London & Can. Loan	....	....	....	2,823,842	2,645,752	2,600,263	2,885,935	2,645,752	2,655,978	1,250,000	1,250,000	1,250,000	800,000	850,000	900,000	33,018	110,192	49,981
Midland Loan & Savings	350,702	371,241	303,162	505,080	526,674	560,543	855,782	897,915	863,705	360,000	360,000	360,000	255,000	265,000	275,000	33,391	35,961	38,204
Montreal Loan & Mort.	184,794	179,130	146,312	171,496	171,497	171,496	362,873	359,507	330,929	600,000	600,000	600,000	650,000	700,000	700,000	91,506	65,530	85,494
Mortgage Corp. of N.S.	46,184	31,567	35,423	268,979	284,911	262,295	315,163	316,479	301,218	850,000	857,200	858,300	93,000	100,000	110,000	7,972	8,711	11,236
Northern Mort. Co.	....	....	....	9904,474	912,475	912,936	904,474	912,475	912,936	1,814,322	1,848,345	1,881,675	142,650	154,961	176,733	92,755	59,584	64,832
Oxford Perm. Loan	321,618	357,242	....	248,230	246,555	....	570,104	604,059	....	291,640	291,640	....	136,300	144,300	....	11,281	11,309	....
Ont. Loan & Deben.	942,743	991,345	825,414	3,040,443	2,555,141	2,424,060	3,983,186	3,546.486	8,249,473	1,750,000	1,750,000	1,750,000	1,850,000	1,950,000	2,050,000	92,969	90,078	83,317
People's Loan & Sav.	185,670	236,192	233,893	130,465	134,866	118,477	316,135	371,058	367,370	500,000	500,000	500,000	48,000	50,0000	55,000	1,789	949	2,146
Real Estate Loan	....	....	....	639,428	645,387	614,944	639,428	645,387	617,180	500,000	500,000	500,000	240,000	260,000	260,000	23,032	20,490	24,218
Royal Loan & Savings	496,330	529,246	469,366	1,001,236	1,010,741	973,027	1,497,566	1,539,987	1,442,393	600,000	600,000	600,000	390,000	405,000	425,000	15,698	17,745	28,722
Saskatchewan Mort.	....	....	....	....	....	....	11,038	29,851	41,381	759,687	777,206	791,044	90,000	90,000	100,000	23,383	30,647	35,839
Southern Loan & Sav.	492,634	502,719	444,806	694,598	730,656	729,554	1,209,408	1,233,375	1,174,364	908,950	900,000	900,000	215,000	230,000	250,000	39,281	42,957	46,726
Standard Reliance Mort.	822,137	1,136,427	1,092,031	3.124,107	3,810,661	3,972,483	4,077,865	5,074,176	5,190,059	2,582,141	2,604,684	2,610,934	650,000	650,000	650,000	79,744	107,694	72,990
Toronto Mortgage	119,970	138,555	116,953	7,790,536	1,635,896	1,656,231	1,910,506	1,774,451	1,773,183	724,550	724,550	724,550	560,000	590,000	620,000	49,540	52,400	53,978
Toronto Sav. & Loan	1,000,577	1,088,995	1,087,435	841,055	842,434	825,238	1,845,933	1,932,736	1,914,584	1,000,000	1,000,000	1,000,000	1,000,000	1,050,000	1,100,000	61,147	61,701	59,604
Waterloo County Loan	414,218	588,646	854,034	202,619	316,081	402,301	616,837	904,727	1,256,335	383,780	415,366	481,802	63,000	70,000	85,000	13,061	18,037	22,902
Victoria Loan & Savings	1,177,864	1,499,852	1,666,959	....	....	....	1,187,396	1,535,200	1,737,759	400,000	447,476	500,000	180,000	215,000	250,000	13,091	15,275	20,867
E. Lambton Farm Loan	163,210	152,958	112,922	79,615	99,525	93,020	242,825	255,646	205,942	217,000	220,100	220,200	54,737	58,146	61,365	6,492	6,582	6,616
Security Loan	315,711	317,629	310,849	118,667	124,329	103,084	434,378	441,958	413,932	521,400	524,200	524,200	120,000	130,000	145,000	16,962	20,228	20,801
Crown Sav. & Loan	61,173	92,701	112,184	188,665	210,852	226,269	249,838	303,553	338,454	238,000	241,050	241,050	77,000	81,000	86,000	14,146	14,637	14,641
Okanagan Loan	31,297	17,357	13,286	46,805	45,786	35,331	115,939	111,433	107,805	390,560	390,560	390,560	74,000	80,000	82,000	8,429	15,641	8,559
Brockville Loan	313,562	313,423	304,984	....	....	....	313,568	313,473	304,984	294,910	301,810	302,510	100,000	107,000	115,000	10,005	14,045	13,388
Investors' Mort. Sec.	....	....	....	3,923,015	3,738,865	3,530,765	4,090,260	3,893,485	3,763,630	5,000,000	5,000,000	5,000,000	1,600,000	1,600,000	1,600,000	218,610	215,550	208,025
Second Investors' Mort.	....	....	....	....	....	....	29,910	21,330	26,525	1,663,720	1,680,590	1,686,925	100,000	115,000	125,000	48,315	53,300	53,695
Frontenac Loan	50,372	56,599	47,169	3,060	....	....	53,432	56,599	47,169	200,000	200,000	200,000	30,000	30,000	30,000	19,152	20,105	21,136
Owen Sound Loan	61,523	66,229	54,835	23,930	22,580	22,609	85,918	89,315	77,964	128,823	130,575	131,860	....	....	....	5,863	6,015	7,903
Can. Finance & Secs.	....	....	....	....	....	....	3,116	2,133	1,078	37,677	38,399	39,304	9,000	9,000	9,000	1,483	2,129	2,666
Grey & Bruce Loan	91,636	137,663	129,608	116,269	127,178	128,313	207,905	264,841	260,960	444,145	444,145	445,175	55,000	59,000	7,000	13,409	13,732	13,355
International Loan	....	....	....	....	....	....	968	895	7,281	175,372	210,595	255,267	....	....	....	29,447	27,943	25,531
Indus. Mortgage	736,888	742,882	743,422	551,165	608,187	663,461	1,288,053	1,351,069	1,406,883	1,601,297	633,750	633,750	320,000	357,000	375,000	26,951	25,832	25,864
Pt. Arthur & Ft. Wil. Mtge.	....	....	....	69,593	69,593	69,593	91,352	86,174	97,736	577,740	586,021	587,804	....	....	25,000	46,783	61,640	51,506
Credit Foncier	....	....	....	38,135,664	38,061,299	37,978,145	38,135,664	38,061,299	37,978,145	9,647,667	9,647,667	9,647,667	3,751,913	3,967,703	4,198,177	3,304,259	3,669,570	4,072,168
Trust & Loan	....	....	....	13,742,565	13,420,005	12,932,765	13,742,565	13,420,005	12,932,765	3,000,000	3,000,000	3,000,000	2,793,790	2,865,490	3,000,000	704,860	828,625	948,080
	$26,962,837	$27,876,569	$25,714,698	$110,283,244	$115,499,191	$114,254,620	$151,061,873	$146,090,790	$143,849,352	$ 64,786,494	$ 64,979,292	$ 64,995,273	$ 34,908,268	$34,743,469	$37,184,669	$ 6,995,485	$ 7,658,793	$ 8,134,679
Can. Standard Loan	$	$	$ 11,881	$	$	$ 2,846	$	$	$ 16,227	$	$	$ 103,285	$	$	$	$	$	$ 1,947
Empire Loan	$	$	$	....	....	155,064	....	....	183,109	....	....	604,755	....	....	70,000	....	....	19,834
N.S. Savings & Bldg.	$	$	$ 131,929	....	....	479,172	....	....	611,101	....	....	935,585	....	....	174,285	....	....	15,283
Sask. Loan & Invest.	$	$	$	....	....	....	....	....	5,944	....	....	314,243	....	....	35,000	....	....	7,859

INVESTMENTS OF THE TRUST COMPANIES

	—Capital Account— 1916	1917	1918	—Guaranteed Accounts— 1916	1917	1918	—Estates, Trusts, Etc.— 1916	1917	1918	—Total— 1916	1917	1918
Brantford Trust	$ 326,811	$ 328,560	$ 329,665	$ 25,325	$ 23,562	$..........	$ 537,745	$ 512,477	$ 645,994	$ 889,881	$ 864,599	$ 975,609
Can. Guaranty Trust	227,932	234,086	244,256	232,773	295,700	263,498	1,043,974	1,125,637	1,413,852	1,504,679	1,655,423	1,921,606
Canada Trust	1,534,090	1,595,271	1,645,597	3,318,224	4,528,582	4,719,763	2,659,503	2,790,190	3,544,907	7,511,818	8,914,043	9,910,267
Capital Trust	334,496	385,935	450,777	249,173	345,698	448,335	707,046	846,305	1,060,680	1,290,715	1,577,938	1,959,792
Eastern Trust	1,287,998	1,303,476	1,550,154	104,471	111,076	121,000	16,949,952	18,084,481	20,670,982	18,342,421	19,499,033	22,342,136
Imperial Trusts	262,655	254,487	263,232	574,851	725,527	1,172,685	3,238,617	2,877,161	3,365,147	4,076,123	3,857,175	4,801,064
London & Western	664,686	679,438	699,051	....	....	....	6,931,064	7,335,226	7,946,897	7,595,750	8,014,664	8,645,948
Mercantile Trust	707,895	814,539	677,009	400,821	457,015	432,594	3,926,070	4,116,674	4,516,119	5,034,786	5,388,228	5,625,722
National Trust	3,174,174	3,197,122	3,238,221	1,371,097	7,717,790	6,897,900	58,651,783	65,807,723	69,955,549	69,197,054	76,722,635	80,091,670
Northern Trusts	2,026,668	2,031,069	2,143,867	1,407,292	1,305,599	1,295,801	9,493,202	8,997,144	9,525,521	12,927,162	12,333,813	12,965,189
Standard Trusts	1,284,237	1,310,909	1,605,641	3,746,999	3,254,447	2,795,029	9,663,577	10,214,793	9,059,499	14,694,813	14,780,149	13,460,169
Sterling Trusts	463,329	519,603	598,109	481,643	603,521	563,641	2,927,325	3,491,822	10,896,204	3,872,298	4,614,946	12,057,954
Toronto General Trusts	3,523,027	3,625,628	3,759,444	8,965,168	8,939,786	8,185,884	64,692,318	70,721,368	78,887,301	77,180,513	83,286,782	90,832,629
Trusts & Guarantee	2,460,006	2,484,081	2,507,584	4,601,526	5,214,292	5,182,061	8,342,817	9,083,985	12,783,554	15,404,349	16,782,268	20,473,199
Union Trust	2,042,956	1,572,547	1,542,031	7,487,561	7,661,882	5,218,020	5,660,827	6,031,763	6,103,487	15,191,344	15,266,192	12,863,538
Western Trust	1,313,352	1,292,690	1,287,767	924,996	958,241	1,011,434	96,813	102,764	69,137	2,335,161	2,353,695	2,368,338
British Empire Trust	4,406,930	4,619,775	4,694,870	....	....	....	1,435,720	617,225	1,163,710	5,842,650	5,237,000	5,858,580
Crown Trust	675,271	679,885	692,143	....	....	....	1,931,096	2,157,944	2,362,424	2,606,367	2,837,829	3,054,567
Winnipeg Mercantile Trust	73,031	77,553	81,001	28,889	27,734	6,729	....	....	149,557	101,920	105,287	237,287
Nova Scotia Trust	218,284	230,495	246,244	....	....	....	....	....	....	218,284	230,495	246,244
Prudential Trust	908,409	911,653	951,924	1,159,747	1,089,521	1,502,846	2,092,142	1,504,555	2,073,308	4,160,298	3,505,729	4,528,078
Royal Trust	4,233,009	4,776,999	5,016,032	2,870,734	3,748,424	2,705,047	172,887,267	194,867,726	207,259,331	179,991,011	203,393,149	214,980,410
Total	$32,149,245	$33,025,801	$34,224,569	$43,951,290	$47,008,397	$42,522,267	$373,868,858	$411,286,873	$453,453,160	$449,969,397	$491,221,072	$530,199,996
Can. Permanent Trust	$..........	$..........	$ 330,682	$..........	$..........	$ 42,012	$..........	$..........	$ 772,851	$..........	$..........	$ 1,145,544
Guelph Trust	....	....	310,551	....	....	....	....	....	....	....	....	310,551

MANITOBA LEGISLATION AFFECTING LOAN COMPANIES

An Important Amendment to Insurance Act Without Knowledge of Mortgage Loans Association

By JOHN PATON

At Annual Meeting of Mortgage Loans Association of Manitoba.

THE usefulness of associations such as ours has been demonstrated very clearly in the matter of the Saskatchewan Seed Grain legislation. The existence of the provincial associations enabled the Saskatchewan Government to get in touch with a large number of mortgage lenders doing business in the provinces. It also enabled these lenders, or the majority of them, to give the Government such assurances as led to legislation being enacted whereby we were enabled to take care of our deserving borrowers who required help for the purchase of seed this spring, at an infinitely smaller cost than would have been the case had the Dominion Government made advances for this purpose, as was done in 1915, and not only were the expenses much less, but the amount advanced was kept within reasonable bounds. This result was not accomplished without a good deal of thought and work, for much of which we are indebted to Mr. Peters and to the legislative committee of the Saskatchewan association.

Your executive watched very closely all questions effecting the interests of mortgage lenders that came before the Manitoba Legislative Assembly. We even went so far as to instruct our solicitors to have a representative attend the daily sessions of the Law Amendment Committee so that we might be kept posted on these matters. Notwithstanding this close attention, a clause vitally affecting the interests of mortgagees was added to the amendment to the Insurance Act without our knowledge.

This did not appear in the draft of the act as printed, and was, I understand, inserted at the instigation of certain members of the House who seemed to have assumed that it is the custom of mortgage lending companies when making a loan to ignore any existing insurance policy that may be held by the borrower on the buildings forming part of the security and to effect a new insurance in a company chosen by themselves, thereby causing loss to the borrower.

A communication on this subject from the secretary of the Dominion association was considered at a meeting of the executive last month, when it was ascertained that at least so far as the companies represented by the members of the executive was concerned, this custom does not prevail and there seems to be no adequate reason for the clause in question. While the intention may have been to overcome this supposed objection, the clause seems to have a further effect inasmuch as it may apply to any insurance held by a mortgagee. The mortgagee may not be able to renew his policy when it expires by reason of the mortgagor having placed, perhaps only a few days before the expiration of the policy in question, a new insurance on the buildings; and while we are not required to accept insurance in any company not licensed to do business in Manitoba, there are several companies whose policies might be quite acceptable on farm buildings but should not be taken as collateral to loans on expensive city properties.

Our solicitor advises that while the act in its present form is in force it would be well for the lending companies to change the old form of insurance clause in their mortgages by substituting the name of an individual insurance company and adding the words, "or in some other insurance company to be selected by the mortgagee." It is to be hoped, however, that the incoming executive may be able to have this objectionable clause eliminated or least considerably modified at the next session.

There is another matter worthy of consideration and that is what should our attitude be in regard to the demands being made on mortgage lenders to accept prepayment of mortgages on farms being purchased by the Soldiers' Settlement Boards for resale to soldiers. These demands are likely to increase in number in the near future and it seems to me that some concerted action should be taken by the lending companies. None of us want to put any obstacle in the way of the returned soldier being re-established to his advantage in civilian life, but we should not be expected to give up investments that have cost money to make without some reimbursement, especially as the party profiting by such prepayment is usually the vendor and not the purchasing soldier.

WESTERN LEGISLATORS ARE WELL DISPOSED BUT SEEK TO MEET VIEWS OF VOTERS

Continued from page 17.

this is that he could not be held on his covenant. Let me say, however, that so far as I can gather but very few farmers in Alberta have taken advantage of the abortive legislation which has been passed there. They have taken care of their obligations very satisfactorily. In the cities also a large proportion of the borrowers have not in any way endeavored to avoid responsibility under covenants into which they entered. It is very difficult, therefore, to understand why the acts were changed in the way they have been. I feel confident that if the individual members of the Legislature there thoroughly understood the effect such changes will have upon the credit of Alberta, they would not have passed them. It appears to me that they have not been well advised."

"In British Columbia some criticism has been directed against the Government on account of their Land Purchase Measure, in which I only have a very indirect interest. The Government, there, however, is making very honest endeavors, I believe, to reconstruct the 'Municipal Act' and the 'Land Registry Act' on a basis quite in accord with the best practice. They have adopted the wise course of having the legislation printed a year ahead so that all parties interested in it can give it careful attention."

"In Manitoba some slight changes were made especially with respect to the mortgage clause in insurance contracts, which now requires that when a mortgage is "blanketed" the policy of any company licensed in Manitoba must be accepted. In the Bill which was printed, this provision did not appear, but it was present in the act which was passed. Thus parties interested—either borrowers or lenders, had no opportunity of making representations to the committee. Such legislation is decidedly disadvantageous to lenders and borrowers. As a matter of fact, legislation not satisfactory to borrowers is not satisfactory to lenders. This is not generally realized. Too many changes are made in the interests of those who have committed themselves to obligations which they have difficulty in meeting, and succeed in pressing their claims upon Governments to the disadvantage of the public generally."

On the point of limiting this tendency, Mr. Appleton continued: "There appears to be only one way to do that and it is to get the legislators generally to understand better the harm done by legislation which interferes with the relations of creditor and debtor. If the state wishes to relieve a debtor, it should step in and take his place, otherwise distrust will be created, and I need hardly tell you that nothing compels capital to flee so quickly as distrust. I found that the farmers generally are not responsible for the character of moratorium legislation in the West, nor of some changes which have been made obviously to protect a very limited, but apparently influential class of debtors. It would, I think, contribute to the rapid growth of the West if the normal law was allowed to take its course with respect to debtors who now enjoy special protection. I do not refer to the soldiers who have returned from active service. They have been given relief at the expense of the loan companies and I need hardly say, that while the burden has been unjustly placed on the back of the loan companies, they have borne it without protest. In some instances the burden has been severe and has necessitated the shareholders for the last few years not receiving an average return upon their invested capital."

NEW SASKATCHEWAN ACTS AFFECTING LOAN COMPANIES

Solicitor for Land Mortgage Companies Reviews Legislation Which Has Been Recently Passed

MUCH legislation affecting the interests of the loan and trust companies operating in the province of Saskatchewan was passed at the last session of the Legislature and has been reviewed by D. J. Thom, solicitor for the Land Mortgage Companies of Saskatchewan. Some of the important features of this report follow:

New schedules were provided for the taxation of a number of corporations, and in particular, trust companies.

The scale of taxation for trust companies were revised so that the trust companies are now taxed on the following basis:

(a) One and one-half per cent. on the gross revenue from the funds of the company invested in Saskatchewan, and

(b) One-half of one per cent. on the gross revenue from agency and trust funds, and

(c) One and one-half per cent. on the gross revenue of the company arising from other business in the province not included in "a" and "b."

This schedule was arrived at after several interviews by the trust company committee of the association with the Government, and is materially different from the bill as introduced, in particular, in securing a reduction of the taxation on agency and trust funds.

The Act to amend the Trustee Act is largely technical. One amendment in particular, however, should be noted, the funds in which trustees having money in their hands to invest, may invest the same are enlarged by adding to those prescribed in the existing act the following:—

> "The public stock funds or Government securities of or securities guaranteed by the United Kingdom or the United States of America, and the bonds or debentures of any drainage district in Saskatchewan, or debentures issued under the Rural Telephone Act."

The Act Respecting the Devolution of Estates of Deceased Persons, is a consolidation and amendment of the existing law. More liberal powers are given personal representatives for the sale of land for the purpose not only of paying debts, but of distributing the estate. Where a man dies leaving a widow and one child only, the widow now gets one-half, instead of one-third, as formerly. Where there is more than one child, the widow gets one-third as formerly.

The Act Exempting Certain Property From Seizure and Sale Under Execution, is a consolidation and amendment of the Exemptions Act. The seed grain exemption is raised from sufficient to seed 80 acres at the rate of 2 bushels per acre, to sufficient to sow 160 acres. Mortgagees will remember that these exemptions apply also in cases of distress for rent by a mortgagee. Seizures and sale under chattel mortgages revert to the position before 1915 and are not now required to be made and conducted by a sheriff.

An Act to Amend the Land Titles Act, is largely concerned in the correction of small errors in the existing Act. The following are more important amendments:

(1) A provision for the registration of party wall agreements.

. . . .

(2) In case land in which infants are interested is subject to a general trust for sale, the official guardian may give one written consent referring to such trust and authorizing the executor or administrator to deal with the land, and such general consent shall cover all transfers or dealings.

(3) It is provided that upon application for tax title, notice may be served by mailing it in a registered letter postage prepaid, to the address of the person to be served as appearing by the Records of the Land Titles Office, and by the last revised assessment roll of the municipality, but in that event, the Registrar shall not issue a certificate of title to the land until the expiration of six months from the date of mailing or of mailing the last notice if more than one person is to be served.

COMPANY REPORTS

Concluded from page 31.

Distribution—					
Dividends	$ 14,825	$ 19,177	$ 21,645	$ 24,153	$ 26,022
Written off	460	....	....	500	596
Reserve	9,375	8,000	12,000	10,000	15,000
Balance	2,250	2,456	1,878	1,226	1,532
Contingent	....	....	3,000	1,500	3,500
	$ 26,910	$ 29,633	$ 38,523	$ 37,379	$ 46,651

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1913	$ 167,436	$ 7,955	6	9.3	...
1914	300,458	17,504	6	7.1	6.2
1915	332,876	25,323	6	7.9	7.0
1916	383,779	31,761	6	8.8	7.7
1917	415,366	34,855	6	8.7	7.5
1918	481,802	41,058	6	9.4	8.1

WESTERN TRUST COMPANY, WINNIPEG

Distribution of Earnings.

	1914	1915	1916	1917	1918
Profits	$114,056	$ 84,787	$ 81,058	$ 82,500	*$62,391
Balance forward	7,177	18,790	43,278	49,086	56,336
	$121,233	$103,577	$124,336	$131,586	$118,727
Dividends	$ 70,350	$ 60,300	$ 50,250	$ 50,250	$ 50,250
Reserve	50,000	......	25,000	25,000	20,000
Balance	883	43,278	49,086	56,336	48,477
	$121,233	$103,577	$124,336	$131,586	$118,727

* After deduction of taxes.

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1915	$1,005,000	$ 84,787	6	8.4	7.0
1916	1,005,000	81,058	5	8.1	6.5
1917	1,005,000	82,500	5	8.2	6.6
1918	1,005,000	62,391	5	6.2	4.9

WINNIPEG MERCANTILE TRUST CO., WINNIPEG.

Distribution of Earnings.

	1914	1915	1916	1917	1918
Earnings	$ 8,085	$ 7,265	$ 8,002	$ 8,193	$ *2,815
Expenses	4,840	4,147	3,830	4,214	.....
Profits	$ 3,237	$ 3,118	$ 4,172	$ 3,979	$ 2,815
Balance forward	.....	184	803	1,111	4,091
	$ 3,237	$ 3,302	$ 4,975	$ 5,090	$ 6,906
Dividends	$ 2,903	$.......	$.......	$.......	$.......
Reserve	....	2,500	3,864	1,000	....
Balance	334	803	1,111	4,090	6,906
	$ 3,237	$ 3,302	$ 4,975	$ 5,090	$ 6.906

* After deducting all expenses

Rate of Earnings.

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap.	Earn. Rate
1915	$ 60,597	$ 3,118	..	5.2	4.9
1916	64,40[illegible]	4,172	..	6.5	6.4
1917	64,962	3,979	..	6.2	5.4
1918	65,614	2,815	..	4.3	3.6

Investment Suggestions

5¼% to 6⅞%

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5½% Bonds, due 5th March, 1939. PRICE: To Yield 5.30%

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5% Bonds, due 1st July, 1951. PRICE: To Yield 5¼%

CITY OF HALIFAX, N.S.

6% Bonds, due 1st December, 1952. PRICE: To Yield 5¼%

NOVA SCOTIA TRAMWAYS & POWER COMPANY

5% First Mortgage Bonds, due 1st Dec., 1946. PRICE: To Yield 6⅛%

RIORDON PULP & PAPER COMPANY

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We invite enquiries and would be glad to supply full particulars on request.

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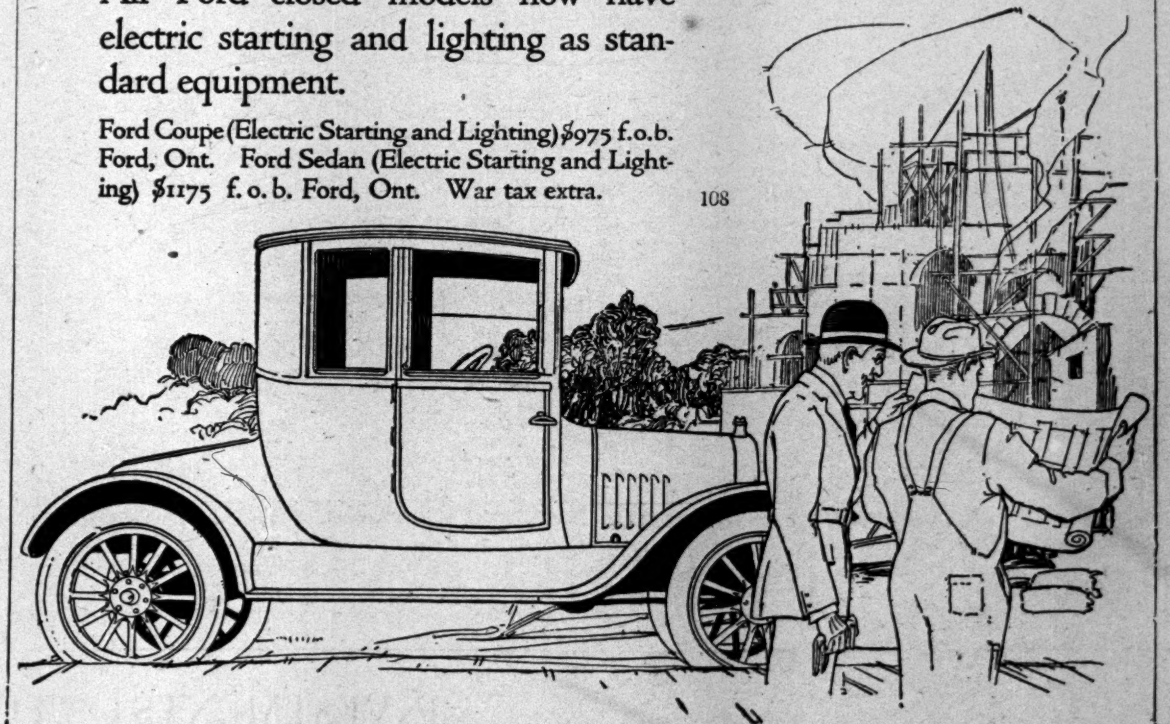
108



Ford Motor Company of Canada, Limited, Ford, Ont.